

AMS/FAST CHANGE REQUEST (CR) COVERSHEET

Change Request Number: 23-102

Date Received: May 25, 2023

Title: Administrative Guidance Changes to Further Establish T3.8.9

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Policy and Guidance: (Please check only one box)

- | | |
|---|--|
| <input type="checkbox"/> Policy | <input type="checkbox"/> Procurement Tools and Resources |
| <input checked="" type="checkbox"/> Guidance | <input type="checkbox"/> Real Property Templates and Samples |
| <input type="checkbox"/> Procurement Samples | <input type="checkbox"/> Procurement Clauses |
| <input type="checkbox"/> Procurement Templates | <input type="checkbox"/> Real Property Clauses |
| <input type="checkbox"/> Procurement Forms | <input type="checkbox"/> Other Tools and Resources |
| <input type="checkbox"/> Procurement Checklists | |

Summary of Change:

Existing AMS Guidance is administratively edited to account for changes made in the coinciding July 2023 Change Request titled "Further Establishing T3.8.9, Information and Communication Technology."

The following Sectional changes are made by this Change Request: T3.14.1, T3.2.1, T3.2.6

- T3.14.1 Security, is edited to state that T3.8.9 is a Section that includes procurement security issues to be considered during contract formulation.
- T3.2.1 Procurement Planning, is edited to remove detailed language on (1) Positioning, Navigation and Timing (PNT) Services and (2) Internet Protocol Version 6 (IPv6). These topics are moved to T3.8.9. In removing the detailed language, T3.2.1 now cites to the applicable language in T3.8.9.
- T3.2.6 Purchase Card Program, is edited to cite to the new AMS Guidance location of language related to Section 508 of the Rehabilitation Act.

Reason for Change: The July 2023 AMS Change Request titled "Further Establishing T3.8.9, Information and Communication Technology" makes additions to Section T3.8.9 in an ongoing

effort to consolidate all AMS matters related to ICT into a single Section. Existing Guidance elsewhere requires administrative updates to account for these changes.

Development, Review, and Concurrence: AAP-110

Target Audience: FAA Acquisition Workforce

Briefing Planned: Yes.

ASAG Responsibilities: ASAG Awareness at the June 20 ASAG Meeting.

Section / Text Location:

AMS Procurement Policy & Guidance - Procurement Guidance Sections T3.14.1, T3.2.1, T3.2.6.

The redline version must be a comparison with the current published FAST version.

☒ I confirm I used the latest published version to create this change / redline

or

☐ This is new content

Links:

<https://fast.faa.gov/docs/procurementGuidance/guidanceT3.14.1.pdf>

<https://fast.faa.gov/docs/procurementGuidance/guidanceT3.2.1.pdf>

<https://fast.faa.gov/docs/procurementGuidance/guidanceT3.2.6.pdf>

Attachments: Redline and final documents.

Other Files: N/A.

Redline(s):

[T3.2.1 Procurement Planning](#)

[T3.2.6 Purchase Card Program](#)

[T3.14.1 Security](#)

Section Revised: T3.2.1 – Procurement Planning

Procurement Guidance - (~~4/2023~~7/2023)

T3.2.1 - Procurement Planning Revised 4/2009

A Procurement Request (PR) Revised 7/2007

1 Purpose of a Procurement Request Package Revised 1/2023

2 Content of PR Package Revised 4/2023

3 Review by Chief Information Officer Revised 4/2023

4 Reserved Revised 1/2018

5 Procurement System-Generated Requisition Revised 9/2020

6 Funds Certification Revised 9/2020

7 Requisition Approval Levels Revised 9/2020

8 Describing Requirements Revised 9/2020

9 Independent Government Cost Estimate Revised 4/2023

10 PR Package Clearances, Justifications and Other Documentation Revised ~~4/2023~~7/2023

11 Simplified Purchases Revised 7/2007

12 Conference Space or Short Term Leases Revised 9/2020

13 Logistics Center Supply Support Revised 9/2020

14 Reserved Revised 9/2020

15 Reserved Revised 9/2020

16 Liquidated Damages Revised 9/2020

17 Returning a Deficient PR Package Revised 9/2020

18 Approval of Multiple Award Procurement Programs Revised 9/2020

B Clauses

C Procurement Forms Added 9/2021

D Procurement Samples Added 9/2021

E Procurement Templates Revised 4/2022

F Procurement Tools and Resources Added 9/2021

G Appendix Revised 4/2023

1 Estimated Acquisition Lead Time Chart Revised 4/2023

T3.2.1 - Procurement Planning Revised 4/2009

A Procurement Request (PR) Revised 7/2007

1 Purpose of a Procurement Request Package Revised 1/2023

A Procurement Request (PR) package initiates acquisition of supplies, equipment, real property, utilities, material, systems, services, or construction. It is the basis for a Contracting Officer (CO) to plan, solicit, and award a contract, purchase order, delivery/task order, agreement, lease, modification, or other procurement action. The PR package is used to define the requestor's requirements so the CO can acquire supplies, real property, utilities, and services from or through other Government agencies, private and public organizations and institutions, and commercial vendors.

2 Content of PR Package Revised 4/2023

a. The requiring service organization responsible for the requirement to be satisfied through a procurement action prepares the PR package. The nature, value, and complexity of the requirement determines the exact content of the package.

b. As soon as a requirement becomes known, the requiring service organization should consult with the cognizant contracting organization, or CO if known, to determine the specific types of information needed for an acceptable PR package, and when the information must be provided. The information in a PR package is the foundation for a contractual instrument, so it should be complete in all essential aspects. The Estimated Acquisition Lead-Time chart (see Appendix 1) may serve as a planning tool for both the contracting organization and requiring service organization to estimate lead-times for the various milestones applicable to a procurement.

c. The requiring service organization is responsible for submitting the PR package to the appropriate contracting office, or assigned CO if known. Unless otherwise required by local procedures implemented by mutual agreement between the PR-initiating organization and contracting office, documents in the PR package are in electronic format and annotated with a PR number and project title. Materials accompanying a PR package that cannot be provided in electronic format, such as drawings, are delivered to the appropriate contracting office or assigned CO, and labeled with PR number, project title, and location.

d. The following list represents information and documentation that may be required for a PR package for the procurement of products, services or construction (design or alteration of property). This list is not inclusive and each item will not apply to every procurement action:

(1) Requisition committing funds.

(2) Statement of work, specifications, purchase description, drawings, or other appropriate technical description of the requirement.

(3) Technical data items (such software design documents or test plans) to be delivered,

Data Item Descriptions (defining data content, format, preparation instructions, and intended use), and Contract Data Requirements List.

- (4) Independent Government Cost Estimate.
- (5) List of potential vendors and addresses (including incumbent contractor, if applicable).
- (6) Delivery destination or place of performance and delivery date or period of performance (and optional quantities or periods).
- (7) Method and place of inspection and acceptance.
- (8) List of Government furnished property or information.
- (9) First article testing requirements.
- (10) Federal standards that must be met, e.g., energy, environment, health, and safety.
- (11) Physical, personnel, and information system security requirements.
- (12) Position Designation Record OPM Position Designation Automated Tool (PDT).
- (13) Classified information or sensitive unclassified information handling requirements.
- (14) Requirement for vendor's descriptive literature or product samples.
- (15) Brand name or equal or brand name mandatory justification.
- (16) Warranty requirements which are over and above generally accepted warranty included with the purchase of an item/service.
- (17) Liquidated damages justification.
- (18) Requirement for value engineering provisions.
- (19) Privacy Act compliance determination.
- (20) Section 508 Rehabilitation Act determination (See T3.8.9.A.1 Section 508 of the Rehabilitation Act to determine applicability).
- (21) Reprocurement data requirements, spare/repair parts lists, or other special rights.
- (22) Information about use of existing patents or copyrights.
- (23) Performance or payment bond requirements.

- (24) Requirement for insurance coverage or special indemnification.
- (25) Support services labor categories and description of minimum qualifications.
- (26) Requirement for key personnel clause.
- (27) Requirement for Government consent to subcontracting clause.
- (28) Personal services justification.
- (29) Single source justification.
- (30) CFO approval- Over \$15 million (Note: The contracting office may accept a PR that lacks the CFO approval for applicable procurements over \$15 million; however, the CFO approval must be received by the CO prior to the issuance of the Request for Offer (RFO)).
- (31) Chief Information Officer's approval for information technology exceeding the AMS risk threshold.
- (32) Draft technical evaluation factors.
- (33) Draft technical proposal instructions.
- (34) Requirements for earned value management system, reports, and integrated baseline reviews.
- (35) Procurement Plan (for all procurements with a total estimated potential value (TEPV) of \$25,000 or more). For additional reference, please see the corresponding templates in FAST.

e. Real Property. For real property PR packages, the requisition should also include the name, address and telephone number of the property owner (or his/her representative), if known, and a record of any and all contact(s) with the owner/representative. Contact with an owner/representative should only be made by the CO. At a minimum, PR packages should specify the type of requirement, include a procurement plan for real property procurements with a total estimated potential value (TEPV) of \$25,000 or more, and contain the information described below. For additional information on Procurement Plans, please see AMS 3.2.1.1.

- (1) Land Acquisition (Purchase or Lease). For such acquisitions, the PR package should include information for the CO to begin the acquisition process. Items for any new or renewal lease action include:
 - (a) Statement of Need, if applicable.
 - (b) The projected life of a facility or property for land (total term requirement for real property).

- (c) Intended use of property (e.g., VASI, REIL, VORTAC, ARSR, ASR), and amount and type of all required restrictive or other easements (e.g., 750, 1000, 1200 or 1500- foot radius; trees removed to XX feet).
 - (d) The legal description of the site and easements, expressed either in meters and bounds or as required by local land registries. If a legal description is not available, a legal description can be requested by a separate requisition transmitted to the CO.
 - (e) Drawings, to scale, of the property(ies) to be acquired, if available.
 - (f) Clearances. Environmental clearances, as follows:
 - i. A statement that due diligence has been performed according to the requirements of the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) and FAA Order 1050.19C, Environmental Due Diligence (EDD) in the Conduct of FAA Real Property Transactions. The CO receives the final, signed EDD and places a copy of the report in the real property transaction file. A copy of the EDD report should be included in the PR package, as well as a letter of acceptance of the report signed by the requiring service organization. The level of environmental due diligence required varies depending on the specifics of each real property transaction.
 - ii. If the site is contaminated with hazardous material, the PR package should include a cost/benefit analysis and a statement of justification signed by the requiring service organization.
 - (g) Statement of compliance/non-compliance with the Rural Development Act (RDA) of 1972 (P.L. 92-419, 86 Stat. 670, 7 U.S.C. Section 2661).
- (2) Space Acquisition (Purchase or Lease). For space acquisitions, the PR package, at a minimum, should include the following information for the CO to begin the space acquisition process:
- (a) Statement of Need, if applicable.
 - (b) Environmental Documentation.
 - (c) The intended use of the space (e.g., AFS, FSDO).
 - (d) A five-year projected staffing chart including the number of authorized positions, by

job title, which will use the space. Any projected staffing increases must be validated by the requiring service organization.

(e) Union coordination document, if applicable.

(f) A statement of one-time costs broken out by line item, if applicable.

(g) Special Requirements. These include, but are not limited to:

- i. Authorized private offices;
- ii. Wiring for data lines;
- iii. 24-hour access;
- iv. HVAC requirements;
- v. Temperature and humidity level limits;
- vi. Local Area Network (LAN) rooms;
- vii. Computer Based Instruction (CBI) rooms;
- viii. Written examination room;
- ix. Cleaning/Janitorial Requirements;
- x. Floor loads and types;
- xi. Antennas attached to roof;
- xii. Special finishes.
- xiii. Facility Security Requirements
- xiv. Loading docks and other special equipment areas; and
- xv. Special areas required by Bargaining Unit Agreements.

(h) Vehicle parking requirements (For vehicle parking requirements, the service

organizations must adhere to requirements established in FAA Order 1600.69C (FAA Facility Security Management Program), Uniform Federal Accessibility Standards (UFAS), and the Americans with Disabilities Act (ADA);

- (i) Recommended total lease term (base lease term plus renewal option(s));
 - (j) Delineated area and map depicting the area.
 - (k) Statement of compliance/non-compliance with the Rural Development Act (RDA) of 1972 (P.L. 92-419, 86 Stat. 670, 7 U.S.C. Section 2661).
- (3) Space Alterations/Improvements/Repairs (AIR). For this, the PR package should include:
- (a) A full narrative description of work to be accomplished, supported by a clear sketch or drawing of proposed AIR; and
 - (b) Other related items, as stated for Space Acquisitions in paragraph T3.2.1.A.2.e(2).
 - (c) A description of how the cost of the improvements will be realized over the term of the lease.
 - (d) Independent Government Cost Estimate.
 - (e) Space Planner/Project Manager.
- (4) Construction. For construction, the PR package should include:
- (a) Real Property Interest.
 - i. For Real Property Land Interests. When a land lease or purchase is involved, the PR package should include a statement from the real property CO that such lease or purchase has been completed. In rare circumstances, if there is written assurance the property owner will provide real property rights and/or the property owner provides a written right of entry to begin construction, the PR may be processed.
 - ii. For Real Property Space Interests. For construction, modification, alteration, and/or repair to a leased space or building, the requiring service organization should coordinate with the contracting office involved in such leased space actions. The PR package should:

- a. Contain a statement from the CO that approval from the property owner has been secured and the lease amended to cover FAA's requirements; and
 - b. Comply with all applicable requirements set forth in e(1)c and e(1)d above.
- (b) Environmental Considerations. A statement certifying that all current requirements for Environmental Due Diligence have been met. (See paragraph e(1)f above on environmental clearances.)
- (c) Utility Requirements. If the requirement involves changes to the location or service of utilities, the PR package must state the status of obtaining utility service and the estimated date of its availability to the project. (See paragraph g below on utilities.)
- (d) Vehicle or Pedestrian Safety. If the requirement affects the traffic or safety of vehicles or pedestrians on the right-of-way of a public highway, road, or street owned by a governmental body other than the Federal Government, the PR package must include a statement to that effect and identify the governmental body which owns the highway, road, or street.
- (5) Utilities. The PR package, at a minimum, should contain information sufficient to enable the CO to determine the required type(s) of service, quantity, delivery point(s), time of initial service, service duration, and the principal characteristics of services. At a minimum, the PR should include the following:
 - (a) Public Utilities. At a minimum, the PR package should contain the following:
 - i. Funding for the initial installation (F&E) and for the ongoing operations at the site (OPS).
 - ii. Technical description or specification of the type, quantity, and quality of service required;
 - iii. Date by which the service is required;
 - iv. Existing Meter Numbers, if applicable;
 - v. Estimated maximum demand, monthly consumption, and annual cost for the first full 12 months of service;
 - vi. Schematic diagram or line drawing showing meter locations and Government connection point to utility supplier's system;

- vii. Estimated cost, including: required utility services, any connection charges; and contractor installed facilities for replacement utility services; and
 - viii. Principal characteristics of service specifications. As a minimum, descriptions of the premises, or location to be served, in sufficient detail to clearly establish its identity by agency, function and address, as well as the service delivery point, and an attached map or drawing showing its exact location.
- (b) Electrical Service Specifications. The PR package should contain:
- i. Monthly kilowatt hour (kWh) demand for a typical year;
 - ii. Monthly kilowatt-hour (kWh) consumption for a typical year;
 - iii. Type of current (AC or DC);
 - iv. Number of phases;
 - v. Anticipated load factor;
 - vi. Substation primary and secondary voltages, and allowable variations or tolerances; and
 - vii. Type of metering: (1) demand and/or watt hours, (2) kilovolt-amperes (kva) or kilowatts (kW).
- (c) Water Service Specifications. The PR package should contain:
- i. The required pressure and type(s) of water required (e.g., potable water, industrial water, classified as to extent of required filtration or chemical treatment; or raw water [river, lake, well, etc.]); and
 - ii. Exact location of connection with utility firm's distribution system.
- (d) Gas Service Specifications. These specifications should state the supplier's tariff. They should describe the desired British Thermal Unit (BTU) content, the purity, and the initial and terminal pressure limitations. They should also include:
- i. The estimated maximum demand per hour or per day;
 - ii. The estimated monthly usage of gas, by months, for a typical year; and
 - iii. The exact location of connection with utility firm's distribution system.
- (e) Sewer Service Specifications. These should specify the types of service required (e.g. sanitary with primary or secondary treatment, or raw waste disposal; industrial waste

disposal; or storm water drainage). They should also include:

- i. The size(s) and location(s) of connections between Government and contractor systems; and
- ii. The exact location of connection with the utility firm's distribution system.

3 Review by Chief Information Officer Revised 4/2023

a. The Chief Information Officer (CIO) must review and approve proposed procurement actions for information technology (IT) and IT-related service resources when the TEPV exceeds the AMS risk threshold and would result in a new or modified:

- (1) Contract;
- (2) Order, such as those issued through a Federal Supply Schedule (FSS); or
- (3) Agreement, to include interagency and intra-agency agreements.

b. *Information Resources.*

(1) Equipment or interconnected system or subsystem of equipment, that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the FAA.

(2) Information resources include:

- (a) Services (including IT support services):
- (b) Computers;
- (c) Ancillary equipment;
- (d) Software (including Software as a Service [SaaS]); and
- (e) Firmware and similar procedures.

(3) Information resources do not include any equipment that is acquired by a Federal contractor incidental to a Federal contract.

c. *Review Process.*

- (1) Procurement actions initiated by the Office of Information & Technology (AIT) that commit only funding allocated to AIT are under the direction and oversight of the Deputy Assistant Administrator for AIT and CIO. Such procurement actions fully comply with the requirements

and goals of the CIO Review Process. Therefore, this CIO Review Process has been satisfied for such AIT procurement actions, and additional documentation is not required.

- (2) For those proposed procurement actions for information technology and IT service resources that originate from Lines of Business other than AIT, or use funding that is not included in the AIT budget allocation, when the TEPV exceeds the AMS risk threshold, the requiring service organization official must submit the following information to the CIO Review Team Mailbox at 9-CIO-Review@faa.gov:

(a) For Contractor Support or Technical IT Services:

- (i) Statement of Work or requirements documentation
- (ii) Cost or price information, to include an Independent Government Cost Estimate (IGCE)
- (iii) Documentation of market research conducted, if applicable
- (iv) CFO or SCRB II Business Case, if applicable
- (v) CFO or SCRB II Signature Page, if applicable
- (vi) Completed CIO IT Procurement Review and Approval Form

To minimize the amount of acquisition sensitive information released to members of the CIO IT Procurement Review Team, each document (SOW, IGCE, Business Case, and Signature Page) must be sent as a separate attachment in one email so that the reviewers will only have access to the applicable document related to their area of expertise.

(b) For Hardware and/or Software Purchases:

- (i) Documentation of market research conducted and analysis in support of an IGCE, unless using an existing contract vehicle
- (ii) Completed CIO IT Procurement Review and Approval Form

The CIO IT Procurement Review and Approval Form is in AMS Procurement Templates. Note: There is a section on the Form to address Bandwidth Impact. The link to the National Bandwidth Upgrade Program (NBUP) is as follows:

<https://my.faa.gov/content/myfaa/en/org/linebusiness/ato/pmo/ajm-3100-national->

bandwidth-upgrade-program.html. The NBUP's mailbox address for questions and comments is as follows: 9-AWA-ATO-FTI-REQ@FAA.GOV.)

(3) Once approved by the CIO, the program official may then prepare the requisition.

(4) Prior to submission of the requisition to the contracting office, the program office must note the date of the CIO's approval in the body of the requisition.

d. *Goals of CIO Review.*

(1) Ensure that goals of the FAA Flight Plan are addressed in procurements involving information technology resources.

(2) Prevent redundant procurements.

(3) Ensure that the resource is compatible with the FAA's current or planned Enterprise Architecture.

(4) Ensure that information technology resources support FAA Business Processes.

(5) Promote and ensure information security and privacy.

(6) Identify potential savings or efficiencies.

e. For more information on the process and access to updated templates, forms, and guidance, please refer to https://my.faa.gov/org/staffoffices/afn/information/CIO_Review_Process.html.

4 Reserved Revised 1/2018

5 Procurement System-Generated Requisition Revised 9/2020

a. A requisition provides basic information, such as appropriation data, item description, place of performance, and quantity/dollars needed to begin a procurement action. It is also the means of reserving funds for the procurement. Requiring service organization must prepare requisitions in the Procurement System, the FAA's automated requisitioning and purchasing system. Contracting offices cannot accept manually prepared Form DOT F-4200.1, "Procurement Request," equivalent hard copy PR forms, or manually signed Procurement System-generated forms.

b. *Electronic Routing.* Requisition review, funds certification, and approval are through electronic routing in the Procurement System and have the same force and effect as manual signatures.

c. *Requisition Control and Numbering.* The functionality of the Procurement System governs requisition numbering in accordance with AMS Procurement Guidance T3.13.1. Refer to the Procurement System business process solution “Award Types and Procurement System Document Numbering Masks” for further information.

d. *Requisition Amendment/Modification.* If additional funds are needed, the requiring service organization should either issue an amendment to the requisition prior to an award being released or should create a requisition for modification after the award is released. Funds certification, review and approval are required for either an amendment or requisition for modification. When the amount obligated for the contractual action is less than the amount funded on the requisition, the requiring service organization must de-commit excess funds. Because the original purpose of the requisition is considered complete, the requisition cannot later be amended to use the remaining funds either for the original purpose or for another purpose.

e. *Canceling a Requisition.* Requiring service organization may cancel a requisition prior to award by creating an amendment to de-commit funding.

f. *Funds Estimate.* The requisition must indicate the total estimated cost of the requirement. For basic requisitions for new contracts, this includes the estimated amount of the basic contract and all planned options and any other requirements that would not be included in or funded as part of the basic contract. For contract modifications, this amount will be the total estimated cost of the action involved. For requisition amendments and requisition for modifications, whether for new contracts or modifications, the estimated amount will be the net amount of any change to the estimate stated in the basic requisition, and in addition to the net amount, identify in the body of the requisition the cumulative total estimated cost.

g. *Required Quantity.* This is the FAA's need, present and projected, for which funding is or will be available. Quantity discounts and transportation costs must be considered when determining required quantity of supplies. Quantities should not include those for which there are no funded requirements, or for options for which FAA has little expectation of exercising. For Indefinite Delivery/Indefinite Quantity (ID/IQ) contracts, identify realistic minimum and maximum quantities. For ID/IQ contracts, the total estimated dollar amount for the requisition should be based on the total estimated quantity. The dollar amount on the requisition should cover the minimum quantity.

h. For detailed instructions on preparing a requisition, the requiring service organization should refer to the Procurement System Requisitioner Guide and Business Processes and Policy, available on the Procurement System website (FAA only).

i. All PR's for Real Estate and Utilities Actions must have the Suffix "RE".

6 Funds Certification Revised 9/2020

a. The requisition must include funds certification if it commits funds to be obligated later on a contractual instrument. Funds certification verifies funds are reserved and certified as available, or

funds are to be de-obligated on an award or de-committed on a requisition. Funds need not be certified on individual requisitions when "bulk funding" is used for Blanket Purchase Agreements (BPA).

b. The person certifying funds must be designated in writing in accordance with written procedures of the organization issuing the requisition, and must be instructed by that organization on his or her responsibilities, duties and authority limits.

c. An authorized requisitioner may also certify funds when local conditions, such as remoteness or a small facility, make it necessary, *provided*: written local procedures authorize this practice and establish reasonable maximum dollar levels for combined funds certification and approval or requisitioning authority, and include monitoring and oversight procedures to ensure propriety of all such actions.

d. Additional guidance and related business processes for funds certification can be found at the [Procurement System website](#) (FAA only).

7 Requisition Approval Levels Revised 9/2020

a. Only designated FAA employees can approve a requisition. Approval levels are tied to the total estimated amount of the requisition to be approved, as follows:

(1) Washington Headquarters Requisitions

(a) Over \$500,000--Office Head, Director, Product or Service Team Lead, or equivalent or higher position.

(b) Over \$250,000 to \$500,000--Division Manager or equivalent position. (c) Up to \$250,000--Branch Manager or equivalent position.

For Washington Headquarters, an Office Head, Director, Product or Service Team Lead, or equivalent position, as applicable, may delegate via memorandum approval levels differing from the above.

(2) Service Areas, Regions, and Centers Requisitions. Organizations approving requisitions within service areas, regions, and centers may establish written local requisition approval levels. Requiring service organization should contact their local finance office for information about approval levels.

(3) Real Property Requisitions. The requiring service organization or equivalent or higher position approves all FAA Washington Headquarters, service areas, regions, and centers for real property requisitions. For real property requisitions, the APM-210 Branch Manager may

delegate, via memorandum, approval levels based upon certain thresholds.

b. Key duties and responsibilities for requisitioners, fund certifiers, approving officials, and those obligating funds (i.e. COs or others with delegated procurement authority) must be separated among individuals. Due to local conditions, some duties may need to be provided by the same individual; however, the following conditions will always apply in the processing of a requisition:

- (1) An individual must never perform all duties;
- (2) A requisitioner may be the fund certifier for the same requisition;
- (3) The approving official and the fund certifier for any requisition must be separate individuals;
- (4) A requisitioner must not be the approving official and/or CO for the same requisition; and
- (5) A CO must never be the approving official or requisitioner for the same requisition.

c. Requisition approvers should refer to Procurement System guidance and business processes found at the [Procurement System website](#) (FAA only).

8 Describing Requirements Revised 9/2020

a. *Technical Description.* An accurate technical description of the requirement is a critical element of a PR package and key to ensuring FAA's needs are satisfied. The requiring service organization prepares, to the extent possible, a comprehensive statement of work, specifications, drawings or other description of the product, service, or real property to avoid any misinterpretation by prospective vendors about the FAA's requirements. The technical description defines valid and minimum needs of the FAA, and is not written in a way that unduly restricts competition. See AMS Procurement Guidance T3.2.2.8, "Describing Needs" for additional information.

- (1) *Supplies or Equipment.* For supplies or equipment, the description should cover as wide a range of commercially available and proven products as possible. It should avoid requirements for special manufacture, or requirements that may unnecessarily restrict competition. In this way, a broad competitive base will be possible, prices will be held to a minimum, and good relations with offerors will be promoted.
- (2) *Services.* For services to be performed in accordance with a statement of work (SOW), the SOW addresses:

- (a) What is the contractor to do?
 - (b) When is the contractor to perform the tasks?
 - (c) Who (qualifications and experience) should perform the tasks?
 - (d) Where are the tasks to be performed?
- (3) Real Property. For real property acquisitions, the requirements should address the following:
- (a) Special requirements and alternative solutions, where appropriate, are considered;
 - (b) The appropriate area of geographic consideration (i.e., delineated area); and
 - (c) FAA-mandated requirements, including but not limited to incorporating seismic safety, first consideration to rural areas, and sustainability/environmental/energy principles in the acquisition process, if practicable.
- (4) Space Acquisitions. In developing requirements for space, the CO and the requiring service organization must use the guidelines from FAA Order 4665.4A Federal Aviation Administration (FAA) Administrative and Technical Space Standards. This order provides standards for the construction, reconfiguration and consolidation of administrative and technical spaces; promotes workforce mobility and workplace flexibility; and improves the Agency's space utilization rate. For space, the requiring office, at a minimum, must include the following requirements:
- (a) Square footage;
 - (b) Type and Use of space;
 - (c) Space Location;
 - (d) Special Requirements;
 - (e) Number of personnel;

(f) Gender Breakdown;

(g) Parking;

(h) Delineated area; and

(i) Required Occupancy Date.

(5) Land Acquisitions. For land acquisitions, the requiring office, at a minimum, must include the following:

(a) Requirements for Improvements to the land, if any;

(b) Legal description;

(c) Title information; and

(d) Market survey/appraisal.

9 Independent Government Cost Estimate Revised 4/2023

a. An Independent Government Cost Estimate (IGCE) describes how much the FAA could reasonably expect to pay for needed supplies, services, construction, or real property. The IGCE is an internal Government estimate, supported by factual or reasoned data and documentation, and serves as: (1) the basis for reserving funds for the procurement action; (2) a method for comparing cost or price proposed by offerors; and (3) an objective basis for determining price reasonableness when only one offer is received in response to a solicitation. The requiring service organization prepares the IGCE.

b. For products, services, or construction, an IGCE may include a breakdown of major elements of cost, by category such as labor, material, equipment, subcontracts, travel, overhead, and profit. For real property acquisitions, an IGCE may include a breakdown of costs, by category such as operating costs, real estate taxes, parking, tenant improvements, and capital improvements.

c. An IGCE is required for any anticipated procurement action (to include modifications) when the TEPV is equal to or exceeds the AMS risk threshold, except for:

(1) Modifications exercising priced options or providing incremental funding; or

(2) Delivery orders for priced services or supplies under an indefinite-delivery contract.

d. The CO may require an IGCE for those procurement actions (to include modifications), when the TEPV is less than the AMS risk threshold.

e. The estimate and supporting documentation is for internal use only. It should be made available only on a need to know basis and must not be provided to any potential offeror. (For additional information on IGCE, see AMS Procurement Guidance T.3.2.3.A.2 "Cost and Price Methodology", "IGCE Handbook" and "FAA Pricing Handbook" located in Procurement Tools and Resources for detailed information about preparing an IGCE for products and services).

10 PR Package Clearances, Justifications and Other Documentation Revised 4/2023/2023

The requiring service organization furnishes evidence of certain required clearances, approvals, and justifications with the PR package. This information varies, depending on the nature of the requirement, procurement strategy, and dollar value. The requiring service organization should consult with the CO to determine applicability of each of the below clearances, documentation, and approvals to the particular requirement. Documentation or other evidence for the below forms part of the PR package (the below is not all inclusive nor will it apply to each procurement action):

a. *Chief Financial Officer Approval.* For a single or cumulative expenditure over \$15M, the CO must receive evidence of the Chief Financial Officer's (CFO) approval of the procurement prior to issuing a Request for Offer (RFO). (See AMS Procurement Guidance T3.2.1.4, "Chief Financial Officer Requirements" for additional information.)

b. *Accountable Personal Property.* FAA's financial standards and annual audit require accurate recording of personal property acquisitions. Before creating a requisition in Procurement System, the requiring service organization must establish appropriate projects and tasks in the DELPHI Project Accounting (PA) module. Each line item on a requisition must have at least one (but can have more than one) project and task associated with it. The CO will use the line item structure contained in the requisition when setting up the Contract Line Item Number (CLIN) structure.

c. *Government Furnished Property, Information, or Material.* The PR package identifies Government property, information, or material. FAA property is managed, transferred, and added to FAA records through the Automated Inventory Tracking System (AITS). Any special restrictions or conditions, such as property provided "as is" security issues, or special handling should also be specified in the PR package.

d. *Personal Property from Commercial Sources.* Before initiating a requisition to obtain personal property, requiring service organization must determine if the property is available for reuse from an FAA or other Government source, as required by FAA Order 4600.27C (September 4, 2015) and the

FAA Reutilization and Disposition Process & Procedure Guide at https://my.faa.gov/content/dam/myfaa/org/staffoffices/afn/regions_center/materiel_personal_property/process/Reutilization-and-Disposition-Process-Procedures-Guide.pdf (FAA only), dated August 2018.

e. *Project Materiel*. Materiel for projects is requisitioned through the Logistics and Inventory System (LIS) Project Materiel Management System (PMMS).

f. *Section 508 of the Rehabilitation Act*. Acquisition of information and communication technology (ICT) must comply with Section 508 requirements for accessibility. The requiring service organization must properly document determinations of a Section 508 exception or waiver. For further information on Section 508 requirements, exceptions or waivers, see AMS Procurement Guidance T3.8.9.A.1.

g. Positioning, Navigation and Timing (PNT) Services. ~~“PNT services” means any system, network, or capability that provides a reference to calculate or augment the calculation of longitude, latitude, altitude, or transmission of time or frequency data, or any combination thereof. In accordance with FAA Order 1770.68 (Selection and Use of Time and Frequency Sources for all Systems, Services, and Applications Supporting NAS Operations), PNT requirements must be included in apply to all solicitations, SIRs, contracts, and orders for products, systems, and services that integrate or utilize Time and Frequency (T&F) systems or services. The Office of Primary Responsibility (OPR) for For further information on PNT requirements is the NAS Enterprise Analysis Branch (ANG-B21). The requiring service organization must contact ANG-B21 to determine PNT applicability. see T3.8.9A.3, Positioning, Navigation and Timing Services.~~

h. Internet Protocol Version 6 (IPv6). IPv6 requirements must be included in all solicitations, contracts, and orders for ~~FICT~~ assets, software and network services. ~~When acquiring IT assets, software and network services, the For further information on IPv6 requirements documents must include reference to the appropriate technical capabilities defined in the USGv6 Profile (NIST Special Publication 500-267B) or the most recent version, the corresponding declarations of conformance defined in the USGv6 Test Program. The applicability of IPv6 to agency networks, infrastructure, and applications specific to individual acquisitions will be in accordance with the FAA's Enterprise Architecture and OMB Memorandum M-21-07 dated November 19, 2020, or the most recent version. When acquiring IT assets, software and network services, the requiring service organization must contact the Office of Information and Technology (AIT) to determine IPv6 applicability. See, see T3.8.9A.2, Internet Protocol Version 6 (IPv6) website located at https://my.faa.gov/tools_resources/it_services_support/stay_informed/ipv6.html for additional information and AIT point of contact.~~

i. *Personnel Security*. For individuals that may need access to FAA facilities, sensitive unclassified information, or resources, the contract security clause contains sufficient language to meet that objective. For specific guidance and regulations, see the applicable personnel security orders (FAA Order 1600.1F Personnel Security Program). The Office of Personnel Management's Position Designation Automated Tool is used by the Operating Office to make initial position risk/sensitivity level designations based on the initial list of positions and the statement of work.

j. *Sensitive Unclassified Information*. The requiring service organization must coordinate with the local FAA Servicing Security Element (SSE) for the minimum standards to mark, store, control, transmit, and destroy Sensitive Unclassified Information, For Official Use Only, Sensitive Security Information, or unclassified information that may be withheld from public release. (See FAA Order 1600.75 or AMS Procurement Guidance T3.14.1, "Security" for additional information.)

k. *Classified Information*. The PR package should identify any requirements for handling of classified materials or for access of contractor personnel to classified information. (See FAA Order 1600.2E Safeguarding Classified National Security Information for additional information).

l. *Information Security*. The FAA must ensure that all information systems are protected from threats to integrity, availability, and confidentiality. (See FAA Order 1370.121B FAA Information Security and Privacy: Policy for additional information.)

m. *Paperwork Reduction Act*. The FAA must obtain approval to collect information through questionnaires, focus groups, telephone surveys, applications, performance reports, customer satisfaction surveys, studies and evaluations, interviews, forms, and other means of requesting information from 10 or more respondents. The requiring service organization must first coordinate requirements through the FAA Information Clearance Officer (AIT-20), and then obtain clearance from Office of Management and Budget (OMB).

n. *Privacy Act*. When a requirement involves the design, development, and/or operation of a system of records on individuals for an FAA function, the statement of work must identify FAA rules and regulations implementing the Privacy Act. (See FAA Order 1370.121B FAA Information Security and Privacy: Policy.)

o. *Printing or Duplicating or Purchase or Lease of Copying Equipment*. For printing or duplicating services to be performed either by Government Printing Office (GPO) or outside printing businesses, requiring service organization must coordinate with the cognizant FAA printing management office. Purchase or lease of duplicators or electronic copiers, exceeding the AMS risk threshold, must be approved: for Headquarters acquisitions, coordinate with the Corporate Information Division (ABA-10); Region, Center and Service Area acquisitions, coordinate with the servicing printing management organization.

p. *NAS Specifications*. Specifications for acquisitions under the Capital Improvement Program (CIP) are baselined and under configuration control. A requisition for NAS program specification change must include evidence of approval by the NAS Configuration Control Board.

q. *Options*. If options are to be included, the PR package should state the basis for evaluating offeror proposals. The PR package should indicate whether it is expected that offers will be evaluated for award purposes only on the basis of the price for the basic requirement exclusive of options, or price inclusive of options.

r. *Warranty*. Warranties should be cost beneficial. For other than standard commercial warranty generally accepted as included with basic purchase price, the PR package should include an analysis

of the costs of a warranty and its administration, versus the benefits of liability deferral.

s. *Liquidated Damages*. Before liquidated damages provisions may be included in a contract, the requiring service organization must adequately justify and document the basis for amounts to be assessed.

t. *Brand Name Products*. When a brand name or equal description is used, the PR package must state the brand name product and salient physical, functional, performance, and interoperability or interface characteristics of the brand name product so that vendors may offer alternative but equal products. Brand name-mandatory descriptions identify a specific make, model, or catalog number, and manufacturer of a product. This type of description differs from brand name or equal because vendors may not provide an equal item. For brand name-mandatory, a single source justification is required with the PR package. (See AMS Procurement Guidance T3.2.2.8, "Describing Needs" for more information.)

u. *Recovered Materials*. Requiring service organizations are responsible for defining product specifications, utilizing FAA's minimum content standards or preference standards, when procuring EPA- designated items. The requiring service organization should provide a written determination certifying that the statement of work/specifications for materials/services specified complies with the FAA's preference standards for recovered materials. (See AMS Procurement Guidance T3.6.3, "Environment, Conservation and Energy" for additional information.)

v. *Recycled Content*. Purchases of EPA-designated recycled content products must meet or exceed EPA guideline standards, unless price, performance, or availability justifies not doing so. The requiring service organization should document this determination. (See AMS Procurement Guidance T3.6.3 "Environment, Conservation and Energy" for additional information.)

w. *Capital Versus Non-Capital Lease Determination*. The FAA is required to capitalize certain improvements in both owned and leased space. In addition, the FAA (to include the Operating Office, CO, and accounting) is required to make a determination as to whether leases (including real property leases) are capital or operating leases and insure they are recorded and filed accordingly.

x. *Personal Services*. Personal services contracts are permissible if appropriately justified and approved by senior management. The PR package must include evidence of this approval. (See AMS Procurement Guidance T3.8.2, "Service Contracting" for more information.)

y. *Single Source Justification*. When in the FAA's best interests, a single source procurement may be appropriate. The requiring service organization should prepare a justification documenting the rational basis for using a single vendor. (See AMS Procurement Guidance T3.2.2.4, "Single Source".)

z. *Technical Evaluation Factors/Plan*. Technical evaluation factors must be approved before issuing a solicitation. The requiring service organization must provide the factors and plan for evaluating technical proposals.

aa. *Earned Value Management System (EVMS)*. Implementation of EVM on development contract

efforts is based on an assessment of cost, schedule, and technical performance risk of each contract. Implementation must be consistent with the program and contract management strategy in the implementation strategy and planning document.

- (1) Contractors are required to apply earned value management to development contracts over \$50 million and use a certified/validated EVMS for reporting.
- (2) For development contracts between \$20 and \$50 million, the contractor management control system must comply with the EIA[1]748 guidelines as tailored by the program manager, contracting officer, and EVM Focal Point but a certification/validation of the contractor EVM system is not required.
- (3) The JRC may designate the application of earned value management to any development contract based on an assessment of cost, schedule, and technical risk of each contract. The contractor must provide an Integrated Program Management Report (IPMR) and participate in government led integrated baseline reviews. The EVM Focal Point conducts contractor EVMS surveillance.
- (4) Requiring service organization should consult with the FAA's EVM Focal Point (AAP-410) to determine appropriate EVMS certification, review, and reporting requirements. (See AMS "Earned Value Management Guide" for additional information.)

11 Simplified Purchases Revised 7/2007

- a. *Purchase Cards*. When a requisition is used as the funding document for purchase card purchases, it must contain certification of availability of funds. (See AMS Procurement Guidance T3.2.2.5 "Commercial and Simplified Purchase Method" for additional information.)
- b. *Blanket Purchase Agreement (BPA)*. A requisition may be issued for a basic BPA, but is not necessary for individual orders (termed "calls") against the BPA. One or more BPAs may be established in response to a requisition. The requisition identifies types of supplies or services to be purchased under the BPA, suggested sources of supply, estimated grand total and individual call dollar limitations, and person(s) to be authorized by the CO to make purchases. BPA calls serve as the obligating documents and a requisition will be required to issue the first call. If the BPA call is funded for a period of less than one year, a requisition for modification will be required to increase the funding.

12 Conference Space or Short Term Leases Revised 9/2020

- a. *Headquarters*. Requirements for short-term lease, or rental, of conference space, must be coordinated with the contracting office and AGC-530. The results of this coordination must be indicated on the requisition or an attachment. Requirements for the long-term lease of other space (e.g., office, storage or special purpose), in commercial establishments in the Washington, D.C. metropolitan area, and requests for any GSA acquired space should be coordinated through APM-

200.

b. *Regions and Centers*. Requirements for short-term lease of conference space not acquired through a purchase card should be coordinated through the contracting office and AGC-530. The results of that coordination must be indicated in the requisition or an attachment.

c. All conference space must comply with the standard operating procedures (SOPs) specified by the Office of Financial Analysis. (See AMS Guidance T3.2.2.4.A.5 FAA Sponsored Conferences, Seminars, Ceremonies, and Workshops).

13 Logistics Center Supply Support Revised 9/2020

Supply Support Program requirements are processed using the Logistics Center Support System (LCSS) at the FAA Logistics Center. Requisitioning through LIS, coordination, review, certification, and approval signature are completed electronically.

14 Reserved Revised 9/2020

15 Reserved Revised 9/2020

16 Liquidated Damages Revised 9/2020

- a. Liquidated damages clauses should be used only when (1) the time of completion, performance, or delivery is such an important factor in the award of the contract that the FAA may reasonably expect to suffer damage if the completion, performance, or delivery is delinquent; and (2) the extent or amount of actual damage sustained by the FAA would be difficult or impossible to calculate or prove. In deciding whether to include a liquidated damages clause in the SIR/contract, the procurement team should consider the probable effect of that clause on other issues such as contract price, competition, and the cost or difficulties of contract administration. The rates of liquidated damages must be reasonable and based on probable actual damages to the FAA. Liquidated damages assessed without consideration of actual costs are penalties, and are thus unenforceable.
- b. When administering contracts that include a liquidated damages clause, the CO must take all reasonable steps to notify contractors of the pending assessment when the concern about late completion, performance, or delivery first develops. If a basis for termination for default exists, the CO must advise the contractor that it may be liable for liquidated damages assessed until the date of termination, in addition to procurement costs. If completion, performance, or delivery is desired after termination for default, efforts must be made to obtain completion, performance, or delivery

elsewhere within a reasonable time.

- c. *Construction.* Liquidated damages for construction contracts are assessed on a per project basis. The liquidated damages rate must be determined by the procurement team and documented by the requiring service organization, and must, at a minimum, cover the estimated cost of contract administration, including inspection, for each day of delay in completion. In addition, other specific losses anticipated to be incurred as a direct result of the failure of the contractor to complete the work on time must be included. Examples of specific losses are:

- (1) Additional inspection costs;
- (2) The costs of substitute facilities;
- (3) The rental of buildings; and
- (4) The costs of FAA crews, or hourly paid contract employees, forced on standby.

When different completion dates are specified in the contract for separate parts or stages of the work (i.e., milestones), the CO may revise the liquidated damages clause to state the amount of liquidated damages for the late completion of each milestone. Separate calculation and documentation of the estimated damages must be developed for each amount specified with a differing basis.

- d. The requiring service organization must document the basis for the assessment rate for liquidated damages. This documentation must describe the assumptions, data, and formula used to derive the rate of assessment.

17 Returning a Deficient PR Package Revised 9/2020

- a. The CO may return a deficient PR package without action, or stop work on a pending PR package until the requiring service organization submits any needed supplemental information. Examples of reasons for returning or stopping work on a deficient PR package include:

- (1) Incomplete or conflicting information between the requisition, specifications, drawings, or other solicitation data;
- (2) Unstable requirements due to repeated technical changes to functional capability, reliability, maintainability, quality control, or testing requirements;
- (3) Failure to include the appropriate stock number or item code, facility type code, and other required data applicable to each accountable item listed; or

(4) Missing or improper funding citation.

(5) Failure to include required environmental documentation.

(6) Failure to provide Single Source Justification or other exception documentation as described in AMS Procurement Guidance T3.2.2.4, "Single Source."

(7) Failure to obtain appropriate approvals from the Program Office for new Space Lease Requirements.

(8) Failure to provide documentation of appropriate coordination between Security, Bargaining Units, Project Management/Space Planners, CFO approvals, etc.

b. In Washington Headquarters, the CO should return a deficient PR package by memorandum, signed by a Contracts Division branch manager, to the approver of the requisition. The memorandum should include a brief explanation of deficiencies.

c. In Service Areas, Regions and Centers, COs should return PR packages in accordance with local procedures.

18 Approval of Multiple Award Procurement Programs Revised 9/2020

a. *Documentation.* Before any FAA requiring service organization establishes a new multiple-award procurement program, it must document the program's benefit, administrative costs, methodology of any service fees, span of use, ordering procedures, and internal oversight mechanisms.

b. *Approval Authority.* Written approval, based on potential size, complexity, and scope of aggregate needs, is also required before an FAA organization may begin any activity to establish a multiple award procurement program, as follows:

(1) Joint Resources Council (JRC) approves any multiple award procurement program that is part of the procurement strategy for an investment program subject to JRC approval. The justification for the procurement program is described in the Integrated Strategy and Planning Document, and is approved by the JRC at the final investment decision.

(2) FAA Acquisition Executive approves any multiple award procurement program to include multiple award contracts, qualified vendors list, or blanket purchase agreement intended to satisfy recurring needs across more than one ATO service organization, ATO service area, or non-ATO service organization or staff office.

(3) Chief of the Contracting Office approves any multiple award procurement program intended to satisfy recurring needs of one ATO service organization, ATO service area, or non-ATO service organization or staff office.

c. *Notice Requirements.* The FAA organization establishing the multiple award procurement program must send a copy of the approved justification to the Director of Acquisition and Contracting at Headquarters.

d. *Considerations.*

(1) For multiple award contracts, the requiring service organization must develop an IGCE during the acquisition planning phase. The requiring service organization may consider its procurement needs, the anticipated use of FAA lines of businesses using the multiple award contract vehicle, market trends, commercial pricing data, and other historical information in developing the overall contract estimates.

(2) In the event that program support costs for a multiple award contract program are not provided for in the awarding requiring service organization's budget, the awarding requiring service organization may require service organizations or program offices that utilize the contract vehicle to pay a service fee. The service fee allows such users to proportionately share in the overall program management support costs of the contract vehicle. The service fee is determined based on the user's anticipated share of the contract services and the estimated program support costs to run the contract vehicle. The requiring service organization may consider its procurement needs, market trends, and historical data in estimating the program management costs to formulate the service fee. The awarding requiring service organization will establish the service fee annually post award and will adjust such fee accordingly based on contract usage and actual program support costs.

B Clauses

[view contract clauses](#)

C Procurement Forms Added 9/2021

Document Name

D Procurement Samples Added 9/2021

Document Name
Independent Government Cost Estimate Sample 1
Independent Government Cost Estimate Sample 2

E Procurement Templates Revised 4/2022

Document Name
CIO IT Procurement Review and Approval Form
Procurement Planning for Simplified Acquisitions – Template A
Procurement Planning for Other Than Simplified Acquisitions – Template B

F Procurement Tools and Resources Added 9/2021

Document Name
IGCE Handbook
Pricing Handbook

G Appendix Added 9/2021

1 Estimated Acquisition Lead Time Chart Revised 4/2023

Note: The timeframes in this chart are estimated and purely for planning purposes only. As each FAA acquisition is unique and independent, the lead-time chart in no way obligates contracting offices to deliver in the timeframes below.

Action	Negotiated Competitive	Two-Step/ Multiple SIRs	Single Source (1)	SEDB/8(a)) Competitive	Within Scope Changes
Complete PR Package Received	Start	Start	Start	Start	Start
OSBD Acceptance	1 to 5	1 to 5	1 to 5	1 to 5	0
Market Analysis	5 to 30	5 to 30	5 to 30	5 to 30	5 to 15
Announcement/Synopsis	10 to 30	10 to 30	10 to 30	10 to 30	0
CO Review Requirements/Draft SIR	5 to 10	5 to 10	5 to 10	5 to 10	1 to 10
SIR Review (Mgmt, Legal, etc)	10 to 15	15 to 20	10 to 15	10 to 15	10 to 15
SIR	30	60	10 to 30	10 to 30	0
Proposal/Quote/Technical Evaluation	5 to 15	10 to 30	5 to 15	5 to 15	5 to 15
Discussions	5 to 10	10 to 20	0	1 to 10	0
Negotiations	5 to 10	5 to 10	1 to 10	1 to 10	5 to 10
Responsibility Review	1 to 5	1 to 5	1 to 5	1 to 5	0
Award Decision Document	1 to 2	1 to 2	1 to 2	1 to 2	1 to 2
Contract Review (Legal, etc)	10 to 15	15 to 20	10 to 15	10 to 15	10 to 15
Award	Stop	Stop	Stop	Stop	Stop
Estimated Number of Calendar Days	88 to 177	138 to 242	59 to 167	60 to 177	37 to 82
Other Potential Schedule Impacts					
CFO Review (2)	60	60	60	60	60
Acquisition Strategy Review Board (ASRB)	10 to 20	10 to 20	10 to 20	10 to 20	10 to 20
Public Affairs Notification >\$3.5M	2	2	2	2	2(3)
EEO Pre-Award Clearance (Other than Construction) >\$10M	30	30	30	30	30(4)
Number of Calendar Days with Potential Schedule Impacts	190-289	240-354	161-279	162-289	139- 194

(1) Includes a single sources to socially and economically disadvantaged businesses (SEDB)/8(a) and

service-disabled veteran owned small businesses (SDVOSB)

(2) All acquisitions (e.g., contracts, interagency agreements, other transactions, etc.) over \$15 million require CFO approval. This includes modifications that increase the contract ceiling price over \$15 million or the authorized CFO ceiling limit as defined in AMS Procurement

Guidance section T3.2.1.4.

(3) Required only for mods over \$10M when the base was not originally coordinated

(4) Required if a mod increases the total contract value to \$10M or more

Action	Administrative Mods	Simplified Purchase	Delivery/ Task Orders (Incl FSS)	Exercise Option
Complete PR Package Received	Start	Start	Start	Start
OSBD Acceptance	0	1 to 5	1 to 5	0
Market Analysis	5 to 10	5 to 10	5 to 10	5 to 10
Announcement/Synopsis	0	0	0	0
CO Review Requirements/Draft SIR	5 to 10	5 to 10	5 to 10	0
SIR Review (Mgmt, Legal, etc)	0	10 to 15	10 to 15	10 to 15
SIR	0	5 to 30	5 to 30	0
Proposal/Quote/Technical Evaluation	0	1 to 5	1 to 15	0
Discussions	0	1 to 2	1 to 10	0
Negotiations	0	1 to 3	1 to 10	5 to 10
Responsibility Review	0	1 to 2	1 to 2	0
Contract Review (Legal, etc)	5 to 10	5 to 10	5 to 10	5 to 10
Notification to contractor-Exercise of option	0	0	0	30
Award Decision Document	0	1 to 2	1 to 2	1 to 2
Award	Stop	Stop	Stop	Stop
Estimated Number of Calendar Days	15 to 30	36 to 94	36 to 119	56 to 77

Section Revised: T3.2.6 – Purchase Card Program

Procurement Guidance - (~~4/2023~~7/2023)

[T3.2.6 - Purchase Card Program](#) Revised 4/2016

[A Purchase Card Program](#) Added 1/2009

[1 Purchase Card](#) Revised ~~4/2023~~7/2023

[2 Convenience Checks](#) Revised 4/2016

[B Clauses](#) Added 1/2009

[C Procurement Forms](#) Revised 4/2022

[D Procurement Samples](#) Added 4/2022

[E Procurement Templates](#) Added 4/2022

[F Procurement Tools and Resources](#) Added 4/2022

T3.2.6 - Purchase Card Program Revised 4/2016

A Purchase Card Program Added 1/2009

1 Purchase Card Revised ~~10/2022~~7/2023

a. *Overview.* The FAA purchase card (i.e. SmartPay Card) is an internationally accepted credit card issued through a General Services Administration (GSA) contract. The purchase card is designed to streamline purchases and reduce procurement time and processing costs. The guidance is in compliance with OMB Circular A-123-Appendix B, GSA SmartPay Program for Purchase Card Use and Management.

- (1) FAA employees who receive training and delegated authority are authorized to use the card, within the specified dollar limits, to acquire products and services.
- (2) Simplified purchases with a total estimated potential value (TEPV) under the applicable micro-purchase threshold must be performed using the purchase card. The micro-purchase threshold is \$10,000 for commercial supplies, construction and services.
- (3) The Purchase Card (PCard) Module in the PRISM Acquisition System is the mandatory program for purchase card requisitions, orders and required documentation for all purchase card transactions.

b. *Duties.*

- (1) An Approving Official (AO) must be a Government manager and in the same chain of command as his or her cardholders, unless waived by the National Purchase Card Program Manager. The AO is responsible for the following activities:
 - (a) Approve new purchase cardholder application and spending limits and submit a justification of the need for a new purchase card account to the Agency Program Coordinator (APC).
 - (b) Review all purchase card transactions prior to the purchase (and after the purchase in US Bank see j below) and ensure accuracy of information and that all required documentation is included for each transaction.
 - (c) Notify the Agency Program Coordinator (APC) when a cardholder retires, leaves FAA, transfers to another office, or no longer requires a purchase card.
 - (d) Establish procedures to ensure that cardholder purchase card files are retained when a cardholder retires, transfers to another office, or leaves FAA.
 - (e) Submit written requests to the APC to change the cardholder's single and/or monthly purchase limit.

- (f) Review all purchase card transactions and ensure accuracy of information
- (g) Ensure that all transactions are for a bona fide need of the Government.
- (h) Report fraudulent or improper use of the purchase card to the National Purchase Card Program Manager and APC.
- (i) Review and final approve cardholder's transactions in US Bank Access Online within 45 days of the close of the billing cycle. All transactions must be final approved (including fraud and disputed transactions) to ensure funds are expended from the correct appropriation code.
- (j) Ensure that the mandatory PRISM PCard Module is used for all Purchase Card Transactions.
- (k) Safeguard the bank's user IDs and passwords. The AO must not share user IDs and passwords.
- (l) Ensure that items purchased through the purchase card are the same as those approved. The cardholder is to provide to the AO a justification for any differences.
- (m) Verify cardholder has submitted property information to the Property Custodian for input in the AITS system before final approving a transaction in US Bank Access
- (n) Establish and continually monitor internal controls to ensure that the prior approval of purchases and funds certification are obtained by cardholders and key duties of the program are properly segregated

(2) *Cardholder*: A Government employee who uses the purchase card to make purchases and is responsible for the following activities:

- (a) Safeguard the purchase card and account number. Only the individual whose name appears on the card is authorized to make purchases on that purchase card. Allowing someone other than the cardholder to use the card, or sharing passwords to obtain products and services, is considered an unauthorized purchase that is subject to disciplinary action as outlined in the Human Resources Operating Instructions (HROI) Table of Penalties, ER-4.1, Section 27a .
- (b) Obtain prior approval from the approving official and funds certifier before making a purchase.
- (c) Ensure the accounting classification code (correct object class codes) for each item to be procured has been certified by a funds certifier before the purchase is made. Each cardholder has a primary use or "default" accounting classification code based on organization and the primary use of the card.

- (d) Include a justification and description for each purchase so that it can be easily understood by someone that is reviewing the purchase.
- (e) Provide copies of source documents (i.e., invoice, purchase order, etc.) relating to purchases of accountable personal property to appropriate personnel.
- (f) Abide by, and never exceed their single and monthly purchase limits. Purchases must not be “split” to circumvent single purchase limits.
- (g) Review and validate all charges against their sales slips, review any credits on the statement, check each statement period (45 days) to confirm outstanding credits have been processed, and dispute charges for purchases not received.
- (h) Review and approve transactions in US Bank Access Online within 45 days of the close of the billing cycle. All transactions must be final approved (including fraud and disputed transactions) to ensure funds are expended from the correct appropriation code.
- (i) Notify the APC as part of the exit clearance process when retiring or leaving FAA, and properly destroy issued cards and convenience checks.
- (j) Ensure that the mandatory PRISM PCard Module is used for all Purchase Card Transactions. This is also the official repository for all required transaction documentation which will be maintained for 6 years and 3 months.
- (k) Provide justification to the AO for any discrepancies with the transaction to include amount charged, product defects, shipping issues, return issues, credits, etc. Maintain a copy of the justification with the transaction documentation.
- (l) Review and validate charges against sales receipts and invoices; review credits online and dispute transactions as applicable (e.g. amount charged, incomplete orders, etc.).
- (m) Splitting transactions/orders to stay within single or monthly limits or other applicable thresholds (including competition, services, construction or check writing limits) is prohibited.
- (n) Upon separating from the agency or the purchase card program, cardholders must:
 - (i) Ensure clearance forms are signed by APC;
 - (ii) Review purchase card files for accuracy;
 - (iii) Ensure all transactions posted to US Bank have the designation "Final

Approved;"

(iv) Forward all purchase card files to the AO; and

(v) Destroy the purchase card and checks.

(o) Review and reconcile transactions in US Bank.

(p) Immediately report lost and/or stolen purchase card or checks to US Bank and the APC.

(q) Verify items have been received by documenting the transaction file with receipt date and recipient.

(r) Adhere to Accountable Property policy in section 3 below.

(3) Agency Program Coordinator APC's are responsible for implementing the day to day bank activities of the card program. APC's are responsible for the following:

(a) Establishing and terminating accounts

(b) Issuing cards and/or convenience checks

(c) Liaison between the National Purchase Card Manager, the Bank and the Cardholder for account activities

(d) Monitoring and control of lost/stolen accounts

(e) Process changes to accounts

(f) Closeout out accounts due to inactivity, retirement, transfer and resignation from FAA

c. Single and Monthly Purchase Limit. Single Purchase Limits are delegated based on the operational need of FAA, the training completed by the cardholder and the experience of the cardholder purchasing items for the Federal Government. The completion of training does not automatically secure an increased authority to use the purchase card.

(1) Cardholders will receive an initial delegation detailing general authority and responsibilities, but applicable single and monthly purchase limits will be identified and available in US Bank Access.

(2) The Purchase Card Office may grant higher limits, either permanently or temporarily, if presented with a written justification establishing an unusual or compelling need.

(3) Prior to being delegated permanent single purchase limits exceeding \$10,000, cardholders must complete additional training requirements (detailed below) commensurate with the additional authority.

d. Initial Training and Experience.

(1) Cardholder and Approving Officials

(a) Must complete the following and provide copies of training certificates to the APC before a purchase card will be issued:

(i) Maintain It: Your FAA Purchase Card (FAA30060016 eLMS course); and

(ii) GSA SmartPay 2 Purchase Card Training- online.

(b) In addition to the training requirements above, cardholders must complete the following before a purchase card will be issued with a permanent single purchase limit over \$10,000: Approving Officials that approve cardholders delegated a single purchase limit over \$10,000 will also have to take the additional training below.

(i) The FAA Purchase Card: Get It, Use It, Keep It (FAA30060015)

(ii) CON 100- Shaping Smart Business Arrangements;

(iii) CON 237- Simplified Acquisition Procedures or AQN SPB Simplified Acquisition Procedures Basic; and

(iv) CLC 004- Market Research.

(c) *Experience.* To be considered for a single purchase limit over \$10,000, the cardholder must submit evidence of at least 1 year purchasing experience (using a purchase card, contract or other procurement tool) in the Federal Government.

e. Refresher Training.

(1) Purchase Card Refresher training must be completed by each AO and cardholder every 2 years using the eLMS course Maintain It: Your FAA Purchase Card (FAA30060016).

(2) The National Purchase Card Program Manager is responsible for monitoring the proper completion of required refresher training.

(3) AOs and cardholders failing to meet refresher training requirements will have their authority suspended until required training is completed.

f. Separation of Duties. Key duties and responsibilities in purchasing, certifying availability of

funds, and approving transactions should be separated among individuals. The following conditions apply in the processing of a purchase card transaction:

- (1) The AO is the last person to approve the individual purchase after the cardholder obtains certification of funds;
- (2) The AO must approve the justification of each individual transaction for need and accuracy;
- (3) An individual must never perform all duties;
- (4) An AO and fund certifier must not perform both approval and fund certification for the same purchase; and
- (5) The cardholder must never be the AO and/or fund certifier.

g. Mandatory Sources and Other Requirements

- (1) When using the purchase card, cardholders must consider the following requirements:

(a) *Strategic Sourcing Initiatives*. (See AMS Procurement Guidance T3.8.6).

(b) *Federal Prison Industries, Inc. (FPI) (also known as UNICOR)*. (See AMS T3.8.4)

(c) *Randolph-Sheppard Act.*. (See AMS Procurement Guidance T3.8.4)

(d) *Javits-Wagner-O'Day Act (JWOD)*. (See AMS Procurement Guidance T3.8.4)

(e) *Section 508 Requirements*. (See AMS Procurement Guidance T3.~~2.28.9A.1~~)

(f) *Environmental Requirements*. (See AMS Procurement Guidance T3.6.3 for additional information)

- (2) If mandatory sources are applicable and not used, the transaction file must document how mandatory sources were sought and the reasons why a non-mandatory source was chosen.

h. Split Purchase. A split purchase is a procurement made to avoid established purchase limits, to include single purchase limits and competition thresholds.

- (1) Split purchases may also include procurement intended to avoid limits governing the use of the purchase card for construction (\$10,000) or services (\$10,000). It is not necessary for the purchase to be in the same day or made by the same cardholder to qualify as a split purchase. One-time increases can be authorized by the Purchase Card Office.

i. *Use of the Purchase Card as a Payment Vehicle.*

- (1) The purchase card may be used as a payment tool against an existing signed contract, lease, or order. This allows users to utilize the purchase card's streamlined payment characteristics when its use alone may be otherwise restricted.
- (2) When the purchase card is being used as a payment vehicle against a contract, lease or order, all terms and conditions must be established in writing and be signed by both a Contracting Officer (CO) and the vendor. The contract, lease or order must specifically authorize the use of the purchase card as a payment tool. If the contract, lease or order does not authorize in writing the purchase card as a payment tool, the purchase card cannot be used.
- (3) Payments must not exceed the cardholder's Single Purchase Limit.
- (4) Each payment made using the purchase card against an existing signed contract, lease, or order must include:
 - (a) Information regarding the source contract, lease, or order, to include the contract/lease/order number, CO, award date, period of performance or delivery date, and proof of funds availability;
 - (b) A copy of the terms and conditions in the contract, lease, or order authorizing the use of the card;
 - (c) A copy of the invoice or request for payment;
 - (d) Proof of delivery;
 - (e) Evidence that the CO authorizes payment; and
 - (f) Prior approval by the Approving Official (AO) authorizing the use of the card.
- (5) Purchase cards cannot be used to pay for unauthorized commitments without appropriate documentation showing that the unauthorized commitment has been ratified in accordance with AMS Guidance T3.1.4A.6.

j. *Purchase Card Terms and Conditions.*

- (1) Purchase cards must not be used to enter into agreements containing terms and conditions unless approved by AGC.
- (2) Purchase cardholders must not negotiate or agree to any changes in clauses (terms and conditions) without concurrence from AGC.

k. *Services Procured Using a Purchase Card.*

(1) The purchase card may be used to procure services under the following guidelines:

(a) The services are exempted from the Service Contract Labor Standards (SCLS), as detailed under AMS Procurement Guidance T3.6.2, and do not exceed the cardholder's Single Purchase Limit. Services exceeding \$10,000 in which SCLS is applicable in accordance with AMS Procurement Guidance T3.6.2 must not be purchased using the purchase card.

(b) The services are incidental to a supply purchase and the total purchase price is below the micro-purchase threshold for supplies. Supply purchases with incidental services above the micro-purchase threshold must be approved by the Purchase Card Office.

(c) *Recurring Services.*

(i) The service requirement does not exceed one (1) year, and the total value for the year does not exceed the cardholder's Single Purchase Limit.

(ii) For any recurring service, the total dollar value of the service must be established at the time of the initial order, despite payment being made monthly

(iii) If the SCLS applies to the service requirement, the total value of the service must not exceed \$10,000 for the year.

(iv) The certification of funds availability must be sufficient to cover the entire term of the service, but cannot exceed one year.

(2) Purchase cards must not be used to procure personal services. Personal service procurements create an employer-employee relationship between FAA and the contractor's personnel (see AMS Procurement Guidance T3.8.2A.5).

(3) The purchase card must not be used to enter into equipment or other types of leases, unless the procurement is through a FAA contract and/or strategic sourcing initiative (e.g. SAVES [Strategic Sourcing for the Acquisition of Various Equipment and Supplies]).

(4) Maintenance agreements are not considered leases, and may be procured using the purchase card.

(5) The purchase card may be used as a payment vehicle against existing service contracts or agreements signed by a CO.

(6) ACQ/AGC established a single POC where a purchase cardholder must get an agreement reviewed and approved. 9-AGC-Purchase-Card-Coordination@faa.gov

1. *Construction Procured Using a Purchase Card.*

- (1) "Construction" means construction, alteration, or repair of buildings, structures, or other real property. For purposes of this definition, the terms "buildings, structures, or other real property" include but are not limited to improvements of all types, such as maintenance facilities, duct banks, air traffic control facilities, communication towers, radar facilities, office facilities, airport facilities, and navigational aids.
- (2) The purchase card may be used to procure construction totaling \$10,000 or less, as long as it does not exceed the cardholder's Single Purchase Limit.
- (3) The value of a construction project includes all related work, and may involve multiple purchases (i.e. multiple purchases towards the completion of a single construction project are included in the total value of the work).
- (4) Any construction project procured using the purchase card must have simple terms and not require modifications and specifications that could result in the requirement exceeding \$10,000.
- (5) The purchase card may be used as a payment vehicle against an existing construction contract signed by a CO.

m. *Competition.*

- (1) *\$10,000 or less.* Competition is not required for purchases of \$10,000 or less.
- (2) *In excess of \$10,000.* For approved actions that value in excess of \$10,000, applicable AMS requirements for competition or single source procurement apply. See AMS Procurement Guidance T3.2.2.4.

n. *Rational Basis.* Purchasers should have a rational basis for purchasing decisions. As the value of a purchase increases, the documentation supporting the purchase should increase as well. If the purchase involves an item that is a viable exemption to an applicable prohibition or restriction (See AMS Procurement Guidance T3.2.2.5A.4, Prohibited and Restricted Purchases), then the purchaser must, despite the dollar value of the purchase, document the basis and background for the purchase. The cardholder should also document the background for actions that would appear questionable to a reasonable and prudent person with market knowledge of the products or services being purchased.

o. *US Bank Access Comments Fields.* Cardholders must enter required data into US Bank Access comments fields.

- (1) *Comments Field 1:* PCPS Number, Financial Tracking/Cuff Record System Number (e.g. REGIS Number), Accountable property information (e.g. AITS Number), other explanatory information (e.g. fraudulent transaction, emergency purchase, disputed item information, etc.).

(2) *Comments Field 2*: Description of the item or service.

(3) *Comments Field 3*: Reserved.

(4) *Comments Fields 4 (Identifier for Item Below) and 5 (Item of National Interest)*:
Description of purchases made during declared emergencies (e.g. supplies purchased during hurricanes or other disasters).

p. *Documentation*.

(1) Documentation supporting purchase card transactions must be uploaded into the PRISM PCard Module and will be retained for 6 years, 3 months from the transaction date.

(2) All cardholder PRISM transaction files should include but not limited to:

(a) Certification of prior approval. The cardholder will obtain confirmation of any verbal approval within 10 days of receiving the verbal approval.

(b) Certification of funds availability. Funds certification officers must provide a documented certification of funds availability prior to any purchase. This can be done on a quarterly, semi-annual or annual basis.

(c) A sales slip, invoice, or order confirmation.

(d) Rational basis.

(e) Receipt of goods or services, signed and dated by recipient.

(f) Dispute Notes

(g) Any special approvals on restricted transactions i.e. water, SAVES waivers, etc.

(h) Documentation to the purchase that explains more details if needed to include notes, emails, tax information, or backup notes to the purchase card file for problematic or cumbersome transactions that may have additional questions

(i) *Independent Receipt of Goods*.

(i) Where the cardholder is also the receiver, another FAA employee (except for the AO) must confirm receipt of the goods or services by signing and dating the sales slip or invoice.

(ii) Except for items considered sensitive or pilferable, confirmation of receipt of goods or services is not required where the unit price is less than \$5,000 or the item is being incorporated into a project for a fixed asset (e.g., buildings and

other structures).

(iii) Items that are considered sensitive or pilferable include, but are not limited to:

Weapons	Computer hard drives
Firearm periphery equipment such as scopes	External disc drives
Ammunition	Personal Data Assistants (PDA)
Cell phones	Secure fax machines
Pagers	Recording equipment
Encrypted phones	Cameras, non-disposable
Two-way radios.	Test equipment
Laptop computers	Laboratory and medical Equipment

(j) Check for exceptions to prohibited purchases (see AMS Procurement Guidance T3.2.2.5A.4 and this section).

(k) Additional supporting documentation needed for special transactions such as training, convenience checks, etc.

(3) *Accountable Property.*

(a) *Process.* Cardholder purchase card transaction source documentation must be routed as follows:

(i) Cardholder must provide a suspense copy of the purchase card order (documented proof of prior approval) for accountable personal property to the Property Delegate (Property Custodian) in the gaining organization after placing the order.

(ii) After receiving the property, the cardholder should obtain from the person receiving the items documentation (invoices, sales slips, packing slips and/or receiving reports) for the purchase and forward property information to the Property Delegate for entry into official agency inventory system and to clear the suspense copy of the purchase card order.

(iii) Cardholders should document their file with property information supporting the purchase (e.g. Invoice number, model or serial number of property, dates information was given to property delegate/custodian and any other property identifying information for recording into AITS).

(iv) More information relating to Property Custodian/Delegates roles are located on the FAA Intranet (FAA only) under the title FAA Personal Property Process

q. *Prohibited Purchases.*

- (1) Long-term rental or lease of land or buildings. Exception: The purchase card may be used to purchase short-term commercial conference and meeting-room space. (See AMS Procurement Guidance T3.2.2.5A5 for additional information)
- (2) Cash advances, including money orders;
- (3) Telephone services provided through GSA or the local Office of Information Services or Service Center Communications Office. However, telephone equipment may be purchased using the card;
- (4) Real property, which is defined as land, buildings, structures or rights over or under the land such as improvements to make it more productive or to make it serve a more beneficial end than the land itself;
- (5) Long term storage unit rental or services (long term is defined as 6 months or more), unless the purchase card is being used solely as a payment vehicle against a contract or lease signed by the CO/RECO and;
 - (a) The total cost of the rental or purchase of the storage services does not exceed the cardholder's delegated authority;
 - (b) The portable units are not classified as real property (defined above); and;
 - (c) The terms and conditions of the rental or storage services (e.g., termination authority) are in writing and signed by both parties.
- (6) Use of the purchase card for personal purchases or as identification when writing personal checks is prohibited.
- (7) Use of the purchase card for travel charge card or travel-related expenses is prohibited. Exception: Metro fare cards and toll passes (e.g. EZ Pass) may be purchased for local travel supporting official FAA business. Proper controls must be established to ensure that fare cards or passes are not lost or stolen, and use is recorded and monitored to prevent the cards from being used for commuting to and from work. For other services related to local travel, each must be approved by the Purchase Card Office.
- (8) Use of the purchase card to obtain commercial, Government owned or leased vehicles is prohibited.
- (9) Fuel and maintenance of government owned or leased vehicles is prohibited.
- (10) Store gift cards or gift certificates must not be purchased with the Government

Purchase card.

(11) Coins, including but not limited to Challenge and Commemorative coins, with the exception of coins purchased for Non-Monetary Awards, as provided in AMS T3.2.2.5A.4.c(19).

(12) Certain Telecommunications and Video Surveillance Services or Equipment are prohibited, as provided in T3.6.4A.17.

r. *Restricted Purchases*. Restrictions for all simplified purchases can be found in AMS Procurement Guidance T3.2.2.5A.4.

s. *Purchase Card Use for Non-Monetary Awards*. Refer to AMS Procurement Guidance T3.2.2.5A.4.c (19) for additional information.

t. *Third Party On-line Payments*. Cardholders are required to immediately provide the Approving Official written notification (i.e. e-mail or memorandum) when they become aware that a purchase card purchase will be processed by a third party on-line payment company. Also cardholders must provide the approving official a copy of all documentation that supports the on- line payment transaction within five days of item receipt.

u. *Acquisition of Training Services*. The FAA purchase card is encouraged for use to the maximum extent possible to acquire training. If not designated a training coordinator, it is important for the cardholder to ensure that proper coordination of training requirements has taken place prior to training being purchased, e.g. completed training checklist, needs assessment, etc.

v. *Tax Exemption*. At the time of the purchase, cardholders should advise the merchant that the purchase is for official U.S. Government purposes and therefore is not subject to state or local tax. If the vendor wants to clarify this, the back of the card includes an 888 number that may be called for verification. Exceptions do exist for certain state taxes in certain states (i.e., New Mexico or Arizona). For this reason, cardholders should contact legal counsel regarding applicability of any exemptions or other issues related to state or local taxes.

(1) A review should be made of the bank statement for inclusion of sales tax.

(a) If sales tax was included, first check for the state exception. Tax exempt information and guidelines for each state can be found at <https://smartpay.gsa.gov/content/state-tax-information>.

(b) If sales tax is charged in error, request a credit from the vendor.

(2) All newly issued purchase cards should be checked to ensure that the Operating Administration's name and the tax ID are embossed on the card.

(3) The government is tax exempt, but there are instances where the vendor may charge tax. Tax cannot be disputed in US Bank. If improper tax is charged to a transaction the cardholder must:

- (a) Immediately contact vendor and inform the vendor that the government is tax exempt and request a credit;
- (b) Document files with the proposed agreement to credit the tax, or if vendor states he or she will not credit tax document the file with a memo to file (for phone conversations) or any e-mail/correspondence received; and
- (c) If a credit is forthcoming, watch for the credit during the reconciliation process and contact the vendor if you don't see the credit within 15 days.

w. Deficiencies/Disputes/Damaged Equipment

(1) If the cardholder finds a discrepancy that is the result of item shortage, receipt of a defective or damaged item, or receipt of the wrong item, the first step is to contact the vendor to seek resolution. The cardholder should request a replacement item or a credit from the vendor. If the vendor agrees to credit a cardholder's account, the credit will appear on the cardholder's electronic account statement the following month. On the statement, the cardholder will need to final approve both actions, also. If the item is rejected by the Government, the cardholder should return the defective, damaged or erroneous item to the vendor within 60 days of receipt.

- (a) If a refund is issued in the form of store credit, it must be made out to the Federal Aviation Administration and used for a future valid purchase.
- (b) In the event a refund check is received, it must be forwarded to the servicing accounting office for deposit within one business day. The original accounting classification code should be provided to credit the funds accurately.

(2) A dispute occurs when a cardholder formally challenges the validity of a transaction with the bank. If the cardholder and vendor cannot reach an agreement on resolution of the discrepancy, then the cardholder must formally dispute the purchase on line with the bank. The bank will credit the purchase cardholder's account until the dispute is resolved.

(a) Reasons for Disputing a Purchase:

- (i) Inadequate description or unrecognized charge
- (ii) Duplicate charge
- (iii) Account charged for merchandise returned
- (iv) Account charged for an order that was cancelled (unless cancellations

charges were agreed to up-front)

(v) Account charged for merchandise or service that was not received

(vi) Account charged for merchandise that does not reflect that ordered

(vii) Account charged for merchandise that is damaged

(viii) Account charged erroneously

(ix) Incorrect amount charged

(x) Did not authorize the charge posted

(b) The bank will not process disputes for:

(i) Foreign exchange rates for international purchases

(ii) Shipping and handling charges

(iii) Taxes

(iv) Convenience checks and associated fees

x. Lost or Stolen Purchase Cards and Convenience Checks, and/or Compromised Accounts.

(1) *Reporting Lost or Stolen Purchase Cards and convenience checks, and/or Compromised Accounts.* The cardholder must report immediately the loss or theft of their purchase card and/or convenience checks to the APC, the approving official and the card- issuing bank in order to avoid liability for unauthorized purchases on the card. The cardholder must also report immediately to those indicated above a compromised account (i.e. identity theft) or suspicion of a compromised account. The necessary information to report to the card-issuing bank includes the cardholder's complete name, card number, check numbers, and purchases made on the date of loss or theft. In the event of theft, the cardholder should also provide the bank the date that the theft was reported to the police.

(2) *Card Re-issuance.* The card-issuing bank will issue a new card to the cardholder within two working days from the time that the loss or theft is reported. A cardholder who reports more than one incident of loss or theft within a 12-month period will require authorization from the National Purchase Card Manager in order to have another card re- issued.

y. Accounting Classification Code Adjustments. Each cardholder has a primary use or "default" accounting classification code based on the primary use of the card, i.e., whatever the office is primarily purchasing. For example, Flight Standards offices may have a primary use of the card for aircraft rental. The card may be used for purchases other than the "primary use" purpose; however, the action will require a different accounting classification code assignment. The cardholder is

required to assign the correct object class code for each item purchased. The approving official is required to review the statement for accuracy, for potential for split purchases, and to approve each individual transaction.

z. Destroying Purchase Cards and Convenience Checks.

(1) When an account has been closed, all related purchase cards and unused checks should be recorded and properly destroyed.

(2) Once the financial institution has been notified to cancel an account, checks attempting to post after the closure date will be declined. The financial institution security associates and bank representatives will investigate each check to determine if floating checks were written by the account holder and valid for payment. If the check is valid, the checks will post to the new account number, if not, the checks will be returned for non-payment and further investigated by the financial institution.

aa. *Non-Compliance.* The purchase card is considered Government property. The FAA will comply with the FAPM Letter 2635 Code of Conduct & Discipline Order, HRP 4.1 on Standards of Conduct, and HROI Table of Penalties for any purchase cardholder, approving official, supervisor, and manager misuse and/or fraud of Government property.

bb. *Suspension.* The purchase card privileges of any cardholder found to be non-compliant with purchase card guidance twice in a six-month period will be suspended for six months. The cardholder's privileges may be restored upon completion of remedial training or permanently revoked. Notifications regarding non-compliance will be sent to the manager one level above the AO.

cc. *Organizational Standard Operating Procedures.* Organizations may establish internal standard operating procedures (SOP) for their cardholders addressing the processing of purchase card transactions (e.g. the Purchasing Goods and Services in the FAA SOPs). However, SOPs must not diminish or change the intent of AMS Policy or Guidance.

2 Convenience Checks Revised 4/2016

a. Convenience checks are carbon checks pre-printed with the cardholder's name, work address and a notation that the check is not valid for more than \$2500. As convenience checks are an extension of the applicable purchase card account, all purchase card policy and guidance applies to check usage.

b. *Convenience Check Usage.* A convenience check may be issued only when the service or goods for which payment is being made is operationally critical, cost effective and consistent with FAA procurement policies. In addition, convenience checks are to be issued only in "exceptional situations" when the use of payment mechanisms such as an automated clearinghouse, or a Government purchase card are not accepted.

(1) Convenience checks may only be used:

- (a) Where the political, financial, or communications infrastructure does not support payment by Electronic Funds Transfer (EFT) in a foreign country;
- (b) Where the payment is to a recipient within an area designated by the President or an authorized agency administrator as a disaster area;
- (c) Where paying by EFT would jeopardize military or law enforcement operations or national security interests;
- (d) Where a cost-benefit analysis shows that making non-recurring payments by EFT are not justified;
- (e) Where an agency's need for goods and services is of such unusual and compelling urgency that the Government would be seriously injured unless payment is made by a method other than EFT; or
- (f) When there is only one source for goods or services and the Government would be seriously injured unless payment is made by a method other than EFT.

(2) Convenience checks may not be used for:

- (a) The issuance of travel advances when the Government-issued travel charge card is revoked or cancelled due to delinquent payment or for personal reasons;
- (b) Cash; or
- (c) Travel or travel-related expenses.

c. Authorization Level

- (1) Purchases using convenience checks must be approved in advance by the second-level manager. The convenience check-approving official must initial the check register to verify that the payee does not accept the purchase card.
- (2) If the approving official is not located at the same site as the person authorized to issue the check (check writer), verbal approval, followed by written documentation, is satisfactory. A copy of the written documentation authorizing the purchase must be provided to the check writer. If the second-level manager is not readily available, another individual at that level or higher may approve the use of the check, provided that he/she can attest that the need clearly follows the guidelines stated above.
- (3) If the check writer is providing the check to another employee who will actually be submitting the check to the vendor/merchant/individual for payment, and the latter employee is in a different line of business than the check writer, then the approving official will be the

second-level supervisor of the employee paying the vendor/merchant/individual rather than the second level supervisor of the check writer.

d. *Issuing a Convenience Check.*

(1) The following information must be entered in the appropriate space on the check and must be written, printed in ink or typed:

(a) *Date*: Enter the date on which the convenience check was issued to vendor for purchase. The date can be spelled out (e.g., August 27, 2008) or written (8/27/08). Do not predate or postdate a convenience check.

(b) *Pay to the Order of*: Enter the name of the payee. (Individuals may not issue convenience checks payable to themselves.)

(c) *Amount*. The dollar amount of the convenience check must be written and spelled out in the space provided, (e.g., "\$126.39" and spelled out as "one hundred and twenty-six and 39/100," followed by a horizontal line out to the end of the space provided).

(d) *Memo*. (Additional Information). Enter information pertinent to the purchase, e.g., radar parts, pavement repair, emergency plumbing.

(e) *Authorized Signature*. Sign in the space provided. Your signature should be in the same format as the name printed on the convenience check, (e.g., if first, middle, and last names are spelled out in full rather than initials being used, your signed name must also be spelled out in full).

(2) Except as otherwise authorized, checks must **only** be used for officially approved purchases and issued **only** by the individual whose name appears on the check. Documentation of the "exceptional situation" required to issue a check must be maintained with the purchase card check file.

e. *Spending Limitation.*

(1) Convenience checks access the same single purchase and monthly purchase limits established for the purchase card account. The established monthly limit will cover purchases made by both the purchase card and the convenience checks. Approving officials will determine the appropriate dollar amount of single purchases limits to be established for each cardholder; however, each convenience check issued cannot exceed \$2,500.

(2) Under no circumstances must a check be written over \$2,500.

f. *Knowing Your Balance*. Cleared convenience checks are deducted from the monthly purchase limit when they actually clear the bank, not when they are written. Monthly purchase limits are renewed on the 20th of each month. You are responsible for tracking your individual available balance and reconciling cleared convenience checks. Remember any transactions made with your purchase card

will also be counted toward your monthly balance. The following is important.

- (1) Allow time for each convenience check to clear, which may overlap billing cycles;
- (2) Ensure the monthly purchase limit is sufficient to cover written checks; and
- (3) At the beginning of each billing cycle, convenience checks that appear on the statement as cleared should be deducted from your balance.

IMPORTANT NOTE: This account is different from your personal checking account because unused balances do not accumulate. Exceeding your purchase limit will result in convenience checks being returned for insufficient funds.

g. *Safeguarding and Accountability of Blank Convenience Checks.* Convenience checks must be safeguarded. When not in use, checks are to be kept in a secured area, i.e., locked safe or cabinet or another secured environment approved by the servicing security element to protect them from being stolen or misused.

h. *Insufficient Check Fees.* The financial institution does not charge a fee for insufficient checks; however, the vendor may charge a fee. This fee may vary depending upon the vendor and/or amount of the check.

i. *Maintaining Your Convenience Check Register.* A convenience check register should be maintained to record each convenience check transaction. The convenience check number, date issued, the payee, a description of the purchase, the emergency convenience check amount, and the account fee can be entered.

j. *Maintaining Receipts and Record Retention.* The carbon copy of the check, the merchandise receipt and invoice must be maintained for each purchase and matched against the convenience check register. Records should be retained in the office and then archived according to the agency's Vital Record and Retention Manual. Records include the monthly statement of account, convenience check register, receipts, and all other supporting documentation.

k. *Account Fees.* The fees associated with writing a convenience check will be charged back to the individual check writer's LOB and will appear on the monthly statement.

l. *Billing Statement.* The monthly purchase card and convenience check statement will show the merchant/vendor name, the amount of the check, and the check number of all cleared checks.

m. *Reconciling Your Account.* The monthly statement must be cross-checked with the convenience check register, carbon copy of the check, receipt, invoice, and internal log to ensure that the register and statement amounts are the same. Any discrepancies must be resolved immediately with the financial institution. Keep in mind that cleared checks that may appear on the statement may be checks written the prior month.

B Clauses Added 1/2009

[view contract clauses](#)

C Procurement Forms Revised 4/2022

Document Name

D Procurement Samples Added 4/2022

Document Name

E Procurement Templates Added 4/2022

Document Name

F Procurement Tools and Resources Added 4/2022

Document Name

Section Revised: T3.14.1 – Security

Procurement Guidance - (~~4/2023~~7/2023)

T3.14.1 Security Revised 1/2009

A Security

1 Facility/Security Revised 1/2019

2 Information Security and Privacy Revised 10/2022

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T3.14.1 Security Revised 1/2009

A Security

1 Facility/Security Revised 1/2019

FAA Facility (per Order 1600.69C, FAA Facility Security Management Program, Appendix 1,#29) is defined as any building, structure, warehouse, appendage, storage area, utilities, and component, which, when related by function and location form an operating entity owned, operated or controlled by the FAA.

2 Information Security and Privacy Revised 10/2022

All systems and applications must undergo a Security Authorization as specified in FAA Order 1370.121B FAA Information Security and Privacy: Policy, as amended, and required by Office of Management and Budget (OMB) Circular A-130, Managing Information as a Strategic Resource (2016), and the Federal Information Modernization Security Act (FISMA) 2014. FAA Order 1370.121B as amended requires the use of the FAA Security Authorization Handbook, current version. The FAA Security Authorization Handbook provides the required guidance, process, and templates for conducting a Security Authorization and is based on the most current versions of the National Institute of Standards and Technology (NIST) Publications and Standards, Department of Transportation (DOT) Compendium and FAA Policies.

The Office of Information Security and Privacy (IS&P), Compliance Division, Assessment Branch (AIS-230) provides Security Authorization services to Office of Finance and Management (AFN) organizations and Lines of Businesses (LOBs) that have requested and funded these services.

FAA will further use the Information Security Continuous Monitoring (ISCM) objective to protect High Value Assets (HVAs) and information. FAA and Contractor responsibilities are further defined in AMS clause 3.14-9 “Information Security Continuous Monitoring (ISCM) and Forensics on Contractor Systems”.

Privacy. The Privacy Act provides safeguards for individual privacy when the FAA contracts for the design, development and/or operation of a system of records on individuals on behalf of the FAA to accomplish a program function. The Act requires that the contractor follow all of the rules on privacy that apply to the FAA.

An FAA employee may be criminally and/or civilly liable for violations of the Act. When the contract provides for operation of a system of records on individuals, contractors and their employees are considered employees of the FAA for purposes of the criminal penalties of the Act.

The Contracting Officer must review requirements to determine whether a contract will involve the design, development and/or operation of a system of records on individuals. If one or more of these tasks will be required, the Contracting Officer must insure that the contract specifically identifies the

system of records on individuals and the design, development and/or operation work to be performed. The statement of work must identify the FAA rules and regulations implementing the Privacy Act.

Privacy and Information Technology. Agencies must ensure that contracts for information technology address protection of privacy in accordance with the Privacy Act (5 U.S.C. 552a) and Part 24. In addition, each agency shall ensure that contracts for the design, development, and/or operation of a system of records using commercial information technology services or information technology support services include the following:

- (a) Agency rules of conduct that the contractor and the contractor's employees shall be required to follow.
- (b) A list of the anticipated threats and hazards that the contractor must guard against.
- (c) A description of the safeguards that the contractor must specifically provide.
- (d) Requirements for a program of FAA inspection during performance of the contract that will ensure the continued efficacy and efficiency of safeguards and the discovery and countering of new threats and hazards.

The Department of Transportation's implementing rules and regulations for the Privacy Act are contained at 49 CFR Part 10.

3 Personnel Security Revised 4/2022

a. Definitions.

(1) *Access.* The ability to physically enter or pass through an FAA area or a facility; or having the physical ability or authority to obtain FAA sensitive information, materials, or resources; or the ability to obtain FAA sensitive information by technical means including the ability to read or write information or data electronically stored or processed in a digital format such as on a computer, modem, the Internet, or a local-or wide area network (LAN or WAN). When used in conjunction with classified information, access is the ability, authority, or opportunity to obtain knowledge of such information, materials, or resources, in accordance with the provisions of Executive Order (EO)12968, Access to Classified Information.

(2) *Classified Acquisition.* An acquisition in which offerors must access classified information (Confidential, Secret, or Top Secret) to properly submit an offer or quotation, to understand the performance requirements, or to perform the contract.

(3) *Classified Contract.* Any contract, purchase order, consulting agreement, lease agreement, interagency agreement, memorandum of agreement, or any other agreement between FAA and another party or parties that requires the release or disclosure of classified information to the contractor and/or contractor employees in order for them to perform under the contract or provide the services or supplies contracted for.

(4) *Classified National Security Information (CNSI)* or “classified information” is information that has been determined pursuant to Executive Order 13526 Classified National Security Information or any predecessor order to require protection against unauthorized disclosure and is marked to indicate its classified status when in documentary form.

(5) *Contractor Employee*. A person employed as or by a contractor, subcontractor, or consultant supporting FAA or any non-FAA person who performs work or services for FAA within FAA facilities.

(6) *Electronic Questionnaires for Investigations Processing (eQIP)*. Government system used to electronically process initial and subsequent background investigation requests.

(7) *FAA facility*. Any staffed or unstaffed building structure, warehouse, appendage, storage area, utilities and components, which when related by function and location form an operating entity owned, operated or controlled by FAA.

(8) *Foreign National*. Any citizen or national of a country other than the United States who has not immigrated to the United States and is not a Legal Permanent Resident (LPR) of the United States.

(9) *Immigrant Alien*. Any person not a citizen or national of the United States who has been lawfully admitted for permanent residence to the United States by the U.S. Citizen and Immigration Service (USCIS). (Refer to the Immigration and Nationality Act (INA)(8 United States Code 1101), Sections 101(a)(3) and (20).

(10) *Non-Immigrant Alien*. Any person not a citizen or national of the United States who has been authorized to work in the United States by the USCIS, but who has not been lawfully admitted for permanent residence. (Refer to the INA, Sections 101(a)(3) and (20).

(11) *Operating Office*. An FAA line of business, an office or service in FAA headquarters or an FAA division-level organization in a region or center, or any FAA activity or organization that utilizes the services and/or work of a contractor.

(12) *Quality Assurance Program*. A system that provides a means of continuous review and oversight of a program/process to ensure (1) compliance with applicable laws and regulations; (2) the products and services are dependable and reliable.

(13) *Resources*. FAA physical plant, sensitive equipment, information databases including hardware, software and manual records pertaining to agency mission or personnel.

(14) *Sensitive Information*. Any information which if subject to unauthorized access, modification, loss, or misuse could adversely affect the national interest, the conduct of Federal programs or the privacy to which individuals are entitled under Section 552a of Title 5, United States Code (the Privacy Act), but which has not been specifically authorized under criteria established by an EO or an Act of Congress to be kept secret in the interest of national defense or

foreign policy. Sensitive data includes propriety data.

(15) *Sensitive Unclassified Information (SUI)*. SUI is unclassified information– *in any form including print, electronic, visual, or aural forms* - that must be protected from uncontrolled release to persons outside the FAA and indiscriminate dissemination within the FAA. It includes aviation security, homeland security, and protected critical infrastructure information. SUI may include information that may qualify for withholding from the public under the Freedom of Information Act (FOIA).

(16) *Servicing Security Element (SSE)*. The FAA headquarters, region, or center organizational element responsible for providing security services to a particular activity. Note: This term no longer applies to personnel security where the AXP organizational designation is now used instead. The term still applies to information and facility security.

(17) *Vendor Applicant Process (VAP)*. FAA system utilized to process and manage personnel security information for contractor personnel.

b. The National Industrial Security Program (NISP) was established by EO 12829, January 6, 1993, to ensure that cleared industry safeguards the classified information in their possession while performing work on contracts, programs, bids or research and development efforts. The NISP Operating Manual (NISPOM) prescribes the requirements, restrictions, and other safeguards necessary to prevent unauthorized disclosure of classified information and to control authorized disclosure of classified information released by the U.S. Government. Effective February 24, 2021, the NISPOM was codified in 32 CFR Part 117.32 CFR Part 117 is available online on govinfo at <https://www.govinfo.gov/content/pkg/FR-2020-12-21/pdf/2020-27698.pdf>.

c. AMS Policy Section 3.5, Patents, Data, and Copyrights, contains policy for safeguarding classified information in patent applications and patents.

d. *Classified Information-Responsibilities of the Contracting Officer (CO)*.

(1) Ensure that the Screening Information Request (SIR) and contract clearly identify the security, access, storage, and safeguarding requirements for contractor access to any Classified National Security Information (CNSI) as well as the highest level of access required. Additionally ensure that the contract documentation and processes comply with current NISP requirements.

(2) The CO must contact the Information Safeguards Division, AXF-200 and the responsible Office of Personnel Security (AXP) Division regarding FAA procedures and requirements for any contracting activity requiring contractor access to classified information, whether that information is owned by another agency or FAA. The responsible security organizations include the following:

(a) Headquarters – ASH Office of Infrastructure Protection, Information Safeguards Division, AXF-200

(b) ASH Office of Personnel Security (National Capital, AXP-300; East, AXP-400; Central, AXP-500 and West, AXP-600). The William J. Hughes Technical Center (WJHTC) is under the security cognizance of AXP-400 for classified contracting processes.

(c) Mike Monroney Aeronautical Center (MMAC) – is under the security cognizance of AXP-500 for classified contracting processes.

(3) *Prescreening Information Request Phase*. COs should review all proposed Screening Information Requests (SIRs) to determine whether access to classified information may be required by offerors, or by a contractor during contract performance. If access to classified information is required, the CO must comply with subparagraph d.(1) and d.(2) above.

(4) *SIR Phase*. COs must:

(a) Ensure the classified acquisition is conducted in accordance with the requirements of d.(1) and d.(2) above;

(b) Include appropriate security requirements and clauses in SIRs (see AMS Clause 3.14-1, Security Requirements – Classified Contracts, and its alternates); and as appropriate in SIRs and contracts when the contractor requires access to classified information. Requirements for security safeguards in addition to those provided in AMS Clause 3.14-1, Security Requirements – Classified Contracts, might be necessary in some instances; and

(c) Ensure the use of Contract Security Classification Specification, DD Form 254 when classified contracts are employed. The DD 254 will be part of the contract. Instructions for DD 254 may be found at <https://www.esd.whs.mil/Portals/54/Documents/DD/forms/dd/dd0254-Inst.pdf>.

Types of DD Form 254s are as follows:

- (i) Original –issued as part of a solicitation for a classified contract, upon the award of a classified contract, or upon the award of a classified subcontract;
- (ii) Revised – issued when there is a change to the security requirements or classification guidance The revised DD 254 will be incorporated into the contract by a contract modification; and
- (iii) Final – a final DD 254 is only used to authorize retention of classified material by the contractor beyond the two-year period automatically authorized by NISPOM at the end of the contract. The Contracting Officer must send an Authorization to Retain Classified Material Letter Template to the contractor authorizing this additional retention of

classified material.

For consistency in the application of security requirements and classification guidance, the Information Safeguards Division (AXF-200) drafts all DD 254s.

e. *Employment Suitability and Security Clearances for Contractor Personnel.* FAA's policy on personnel security for contractor employees, including those working on a FAA contract employed at contractor facilities, requires that procurement personnel take appropriate actions to protect the Government's interest where it appears that contractor employees, subcontractors, or consultants may have access to FAA facilities, classified information, sensitive information, and/or resources. Additional details of the agency's contractor and industrial security program are provided in FAA Order 1600.1F.

(1) *Security Clearances for Contractor Employees.*

(a) FAA Orders 1600.2F and 1600.1F provide that contracts requiring contractor employees to have access to classified information must be prepared and processed according to the procedures contained in the National Industrial Security Program Operating Manual (NISPOM)

(b) In the case of a contract or agreement where the FAA requires persons not employed by the U.S. Government to have access to classified information, a statement to that effect should be included in the SIR and the requirements of FAA Order 1600.1F.

(2) *Employment Suitability of Contractor Employees.*

(a) FAA Order 1600.1F provides specific policy for determining suitability of FAA contractor employees for access to FAA facilities, classified information, Sensitive Unclassified Information (SUI), and/or network information systems. It outlines risk levels and associated investigations requirements, and identified additional specific requirements and exemptions from investigative requirements.

(b) As it pertains to suitability determinations, at a minimum, the following actions are required:

(i) The CO with input from the Operating Office (e.g., Contracting Officer's Representative (COR)), have the responsibility to make an initial determination as to whether the contract will require contractor employees to have access and be subject to, the order in any given SIR and/or contract. An assessment will be made up-front as to whether any positions contained in the staffing plan will require access to FAA facilities, classified information, sensitive unclassified information, and/or resources. If the CO determines that the order does not apply to a given SIR/contract, this will be documented in a memorandum to file, indicating the matter was given due consideration, addressed adequately, and said determination made. The CO may consult the responsible personnel security

office for assistance in making the determination, if needed.

(ii) The Operating Office, in coordination with the COR, has the responsibility to make initial position risk/sensitivity level designations based on the initial list of positions and the Statement of Work (SOW). The Office of Personnel Management's (OPM) website contains information on the Position Designation System. The Position Designation Automated Tool at <https://pdt.nbis.mil> was created to ensure positions are designated uniformly and consistently. It is to be used by the Operating Office or COR to document position designations. All OPM Position Designation Records must be submitted along with the SOW to AXP for review and approval during the solicitation phase.

(iii) For modifications to existing contracts that change the security posture of the contract, new Position Designation Records must be completed and sent to the appropriate AXP office for review and approval. Modifications that do not affect the security posture do not require completion of new Position Designation Records prior to the execution of the modification. For new contracts, the same process would be followed for determining risk/sensitivity level designations, using information required by way of a provision in the SIR.

(iv) *Contractor Staffing Access Questionnaire*. For all contracts subject to the requirements of FAA Order 1600.1F, the Contracting Officer must issue the Contractor Staffing Access Questionnaire or the Leased Space Unescorted Access Questionnaire as part of the solicitation. The Questionnaire from the successful offeror will be used by AXP for planning purposes in reference to contractor access needs under the contract. The solicitation must include the Questionnaire and direct the contractor to fill it out and submit it with their proposal. The contractor's responses to the questionnaire will not be considered as part of the proposal evaluation. The CO will forward the Questionnaire received from the successful offeror in response to a solicitation to 9-ASH-Security-Contract-Customer-Service@faa.gov immediately after contract award.

(v) AMS Clause 3.14-2 (or Real Property Clause 6.9.3 for Leased Space) will require the contractor to submit the completed documentation for each employee in a stated position, as necessary to permit the Office of Personnel Security to make an employment suitability determination. This documentation must be submitted through applicable systems or directly to the appropriate AXP office (for Privacy Act reasons) for approval, or denial of access, using the process described in FAA Order 1600.1F.

(vi) For new contracts, contractor employees must be required to submit the required documentation prior to performing or providing services or supplies under any FAA contract actions. Depending upon the nature and extent of access required, after an initial review of the documentation submitted by the contractor or contractor employee, AXP may grant interim suitability for the contractor employee to commence performing or providing services or supplies under the

contract pending completion of the check and/or investigation and final suitability determination.

(vii) For modifications to existing contracts, contractor employees may continue working under the contract pending submission of the necessary documentation, if any, and completion of a background investigation by AXP, if required. Note there is a period of 30 days that cannot be exceeded in which contractors must submit the forms after the positions and designated risk levels have been identified via contract modification. AXP may establish conditions governing such access pending completion of suitability investigation.

(viii) Notification of termination of employees performing within a stated position under a contract must be provided via the VAP to the FAA by the contractor within one (1) day.

(ix) COs will notify the appropriate AXP office whenever a contract is awarded. (For large contract awards, COs should invite AXP to the kick-off meeting or post-award conference). The CO will advise the AXP office of the awarded vendor, contract number, and the approved position designations for each labor category. In addition, the CO will notify the appropriate AXP office when the status of a contract changes (i.e., replaced, defaulted, terminated, etc.). Prior coordination of new contracts should have occurred between the Operating Office, the CO, and AXP.

(c) Procedures for Processing Security Investigations.

(i) Upon contract award, the CO or contractor will communicate to the personnel security specialist (PSS) a point of contact (POC) who will enter data into the Vendor Applicant Process (VAP) (vap.faa.gov). This POC should be a representative designated by the contractor, and each contract may have a maximum of 5 POCs per contract. The VAP administrator will provide a Web ID, password to each POC and instructions how to operate the VAP system.

(ii) The VAP POC will enter into the VAP system basic identifying information for each contractor and subcontractor employee, requiring an investigation.

(iii) The PSS will examine the information in VAP and check for prior investigations and clearance information.

(AA) If a prior investigation exists that meets the investigative requirements of the position, there has not been a 2-year break in service, and there is no new derogatory information known, the PSS will notify the vendor and CO/COR that no investigation is required and that final suitability is approved.

(BB) If no previous investigation exists, the PSS will send the applicant an

e-mail containing instructions for completing investigative requirements.

(iv) The applicant must complete the eQIP form and submit other applicable material within 15 days of receiving the e-mail from the PSS.

(v) If the eQIP form requires additional information, it will be rejected to the applicant with the reason for the rejection.

(vi) The PSS will notify the applicant and CO/COR of any interim suitability determinations.

(d) *Removal of Contractor Employees.* The VAP POC must notify AXP when a contractor employee is terminated, resigns, or if otherwise removed from a contract by submitting a Removal record in VAP, within twenty-four (24) hours of the removal. CO/CORs have a responsibility to ensure that the vendor complies with this requirement. If a vendor fails to submit a removal record, the CO/COR must notify AXP of the removal as soon as practicable.

(e) *Reports.* The POCs, COs, and CORs have the ability to retrieve current roster reports from VAP for all contracts and contractor employees. The POC must run this report on a quarterly basis to ensure the roster is accurate, and immediately correct any discrepancies with the responsible AXP office.

f. *Costs of Investigations.* To pay for investigations, allotments of funds are made to regions, centers, and headquarters. Unless there has been a specific allotment to AXP to pay for all contractor employee investigations for operating officers that AXP services, each operating office must arrange to pay the costs for investigations on those employees working under contracts for which it is responsible. Security screenings, including fingerprint checks on contractor employees are funded through operational funds by each office or division. The operating office responsible for payment must provide AXP with the accounting code information necessary to have the cost charged appropriately.

g. *Contractor Off-Boarding Requirements.* Contractor employees departing from a FAA contract who have access to FAA facilities and/or Information Technology systems must each complete the FAA Contractor Employee Off-Boarding Form (see Procurement Forms). This does not apply to contractor employees who have been employed on the contract for less than six (6) months and have not been issued a yellow ID card.

The contractor employee's FAA sponsor is responsible for ensuring that the employee completes the Checklist. This responsibility may be delegated to the COR under a given contract. Contractor responsibilities are as indicated in AMS Clause 3.14-4 "Access to FAA Facilities, Systems, Government Property, and Sensitive Information" (or Real Property Clause 6.9.4 for Leased Space).

4 Foreign Nationals Revised 4/2022

Foreign nationals employed or hired by the contractor to perform services for the FAA must have

resided within the United States for a minimum of the last three years unless a waiver of this requirement has been granted by AXP in accordance with FAA regulations (see AMS Clause 3.14-3 or Real Property Clause 6.9.2, Foreign Nationals as Contractor Employees).

5 Related Security Guidance and Tools Revised ~~10/2018~~7/2023

The following sections refer to areas within the AMS Guidance that contain security issues to be considered during contract formulation.

T3.1.6 Nondisclosure of Information

T3.2.1 Procurement Planning

T3.2.2.5 Commercial and Simplified Purchase Method

T3.2.2.6 Unsolicited Proposals

T3.2.2.7 Contractor Qualifications

T3.3.1 Contract Funding, Financing & Payment

T3.5 Patents, Rights in Data, and Copyrights

T3.6.4 Foreign Acquisitions

T3.8.9 Information and Communication Technology

6 Sensitive Unclassified Information Revised 4/2022

a. General.

(1) FAA Order 1600.75, "Protecting Sensitive Unclassified Information (SUI)," outlines policy and guidance on protecting sensitive unclassified information (SUI).

(2) When a contract, order, lease, or agreement requires a contractor or offeror to have access to SUI, the Contracting Officer (CO) must incorporate appropriate security clauses into the solicitation or contract. These include clauses on safeguarding standards, personnel security suitability, and non-disclosure agreements.

(3) SUI may include information such as Personally Identifiable Information (PII), sensitive NAS data, construction drawings, or equipment specifications. Prospective FAA vendors may need access to this information to ensure they can accurately propose and perform the work that FAA requires.

(4) When a screening information request (SIR) includes information determined to be SUI, the CO (and anyone else granted access to the SUI) must take reasonable care disseminating the SUI documents and ensure the recipient has a *need-to-know* and is *authorized* to receive it.

b. *FOUO and SSI*. There are over 50 types of SUI; however the two types generally handled within FAA are:

(1) *For Official Use Only (FOUO)*. FOUO is the primary designation given to SUI by FAA, and consists of information that could adversely affect the national interest, the conduct of Federal programs, or a person's privacy if released to unauthorized individuals. Uncontrolled issuance of FOUO may allow someone to:

(a) Circumvent agency laws, regulations, legal standards, or security measures;
or

(b) Obtain unauthorized access to an information system.

(2) *Sensitive Security Information (SSI)*. SSI is a designation unique to the FAA, DOT, and the Department of Homeland Security (DHS) Transportation Security Administration (TSA), and applied to information meeting the criteria of 49 CFR Part 15, Part 1520 and Subpart A. SSI is information obtained or developed while conducting security activities, including research and development. Unauthorized disclosure of SSI can:

(a) Constitute an unwarranted invasion of privacy;

(b) Reveal trade secrets or privileged or confidential information; or

(c) Be detrimental to transportation safety or security.

c. *Distribution of SUI Information*. When distributing SUI information, the CO (and anyone else granted access to the SUI, including prime contractors, subcontractors, suppliers, etc.) must ensure the persons receiving the information are *authorized* to receive the SUI and have a *need- to-know*. Methods of pre-award SUI dissemination utilized in FAA include SAM.gov and other electronic transfer and dissemination.

d. *The System for Award Management (SAM.gov)*. SAM.gov is an E-Gov initiative that provides a secure environment for distributing sensitive acquisition information (to include SUI) to vendors during the solicitation phase of procurement. This system electronically disseminates information or data to the vendor community while still protecting SUI from unauthorized distribution. Data that can be uploaded into SAM.gov includes construction plans, equipment specifications, security plans, and SIRs. As FAA utilizes the FAA Contract Opportunities page located on SAM.gov to announce procurement opportunities, COs will utilize the Controlled Attachment functionality in SAM.gov when electronically distributing SUI.

(1) SAM.gov provides several security measures to include:

- (a) During processing of a vendor's access request to SAM.gov, the vendor's profile is retrieved from the System for Award Management (SAM) using the Unique Entity Identifier (UEI);
- (b) *Marketing Partner Identification Number (MPIN)*. A number required by SAM.gov to access SUI. This number is unique to each vendor, and chosen by the vendor when each vendor registers with SAM;
- (c) Vendors receive an e-mail after registration to confirm the validity of their identity and contact information;
- (d) The access level of the data in SAM.gov can be adjusted; the CO can specifically allow access to only certain vendors, or if a vendor requests access to the data and they are not specifically authorized, the system will verify with the CO if access should be granted (termed "Explicit Access Request"); and
- (e) The system tracks which Government users and vendors access the data through SAM.gov.

(2) Use of SAM.gov requires the CO to adhere to the following process:

- (a) Upload SUI files into the SAM.gov website (<https://sam.gov/SAM/>) by the procurement request (PR) and solicitation numbers. Note that the problems may arise when uploading attachments greater than 250 mb.
- (b) "Release" the solicitation: Prior to it being made available to anyone through SAM.gov, the CO must determine the scope of vendors allowed to access the data and release the data for authorized viewing.
- (c) Once established in SAM.gov, the system provides the CO a web address to provide to vendors that will link authorized persons directly into the applicable data. The CO can email this link to individual vendors when access has been restricted, or can place it on a public announcement via the internet so, if properly registered, all interested parties may view the data.

(3) Web-based training and user guides are available to both FAA users and contractors at <https://sam.gov/SAM/>.

e. *Registration with SAM.gov*. For registration instructions, please refer to the SAM.gov website.

f. *Other Electronic Transfer and Dissemination*. Transfer and dissemination of SUI information beyond the intranet (internet or extranet, modem, DSL, wireless, etc.) must use at least 128 bit symmetric key encryption following NIST Special Publication 800-21 *Guideline For Implementing Cryptography in the Federal Government*. All transfers must use standard commercial products (such

as PGP and Secret Agent) with encryption algorithms that are at least 128 bit symmetric (3DES, AES, RC4, IDEA, etc.), and follow the instructions outlined in this order. Authorized users that use project extranets for electronic project management during or after contract award to transfer SUI information are responsible for verifying and certifying to the CO that project extranets meet applicable physical and technical security requirements as determined by the Chief Information Officer. Access to the sites must be password protected and access must be granted only on a need-to-know basis. A record of those individuals who have had electronic access must be maintained by the CO or other disseminator in accordance with the system of keeping long-term records.

g. *Record Keeping..* Records of the signed forms must be maintained by the disseminator and destroyed 2 years after final disposition of the related SUI material (FAA Order 1350.14B and GRS 18 Item 1). At the completion of work, secondary and other disseminators must turn over their dissemination records to FAA, to be kept with the permanent files. The only records that the CO must keep for those vendors that utilize SAM.gov to request SUI are the request forms for hardcopy documentation and any documentation detailing subsequent dissemination by the vendor and their subcontractors or suppliers. Records of those who accessed SUI information via SAM.gov and their associated SUI policy certifications are stored in SAM.gov itself.

h. *Retaining and Destroying Documents.* The requirements above must continue throughout the entire term of contract and for whatever specific time thereafter as may be necessary. Necessary record copies for legal purposes (such as those retained by the architect, engineer, or contractor) must be safeguarded against unauthorized use for the term of retention. Documents no longer needed must be destroyed (such as after contract award, after completion of any appeals process, or completion of the work). Destruction must be by burning or shredding hardcopy, and physically destroying CDs, deleting and removing files from electronic recycling bins, and removing material from computer hard drives using a permanent erase utility or similar software.

i. *Notice of Disposal.* For all contracts using SUI, the contractor must notify the CO that it and its subcontractors have properly disposed of the SUI documents, except the contractor's record copy, at the time of Release of Claims to obtain final payment.

j. *State and Local Governments.* To comply with local regulations, FAA must provide localities with documents to issue building permits and to approve code requirements. Public safety entities such as fire departments and utility departments require unlimited access on a need-to-know basis. These authorities must be informed at the time they receive the documents that the information requires restricted access from the general public. When these documents are retired to local archives, they should be stored in restricted access areas. This will not preclude the dissemination of information to those public safety entities.

7 Defensive Counterintelligence Program (DCIP) Revised 9/2021

a. The Defensive Counterintelligence Program (DCIP) detects, deters, and denies illicit human and technical intelligence collection activities by a foreign power or agents of a foreign power as defined in 50 U.S.C. § 1801. This Program is implemented by FAA Order 1600.84 “FAA Defensive Counterintelligence Program” found at

https://employees.faa.gov/documentLibrary/media/Order/FAA_Order_1600.84_Final.pdf(FAA only).

b. This Order applies to all contractors where contractor employees-

- (1) Are authorized unescorted access to non-public areas of FAA facilities;
- (2) Have access to non-public portions of FAA equipment, networks, or information systems; or
- (3) Have access to classified national security information (CNSI), sensitive unclassified information (SUI), or otherwise protected information in the possession of the FAA.

Contractor responsibilities under applicable contracts are specified in Clause 3.14-14 “Cooperation with Defensive Counterintelligence Program (DCIP) Requirements” (or Real Property Clause 6.9.6 for Leased Space or Land).

c. Responsibilities of COs and CORs under contracts where FAA Order 1600.84 applies are the following:

- (1) Familiarize themselves with their responsibilities and contractors’ responsibilities as described in this Order, including without limitation cooperating with authorized DCIP inquiries and CI investigations.
- (2) COs should include the appropriate contract clauses and provisions in relevant contract(s) as necessary to ensure contractors are required to meet all of their responsibilities as described in this Order.
- (3) Ensure that contractors are aware of their responsibilities, as described in this Order and the relevant contract(s).
- (4) If there will be foreign travel by contractors under the contract, ensure contractors are aware of the international travel security briefing and foreign contact reporting requirements contained in FAA Order 1600.61C, *International Travel Security Program* at <https://my.faa.gov/org/linebusiness/ash/programs/ITSP.html#official> (FAA only), as well as the international travel security briefing and foreign contact reporting requirements of Security Executive Agent Directive-3 (SEAD-3) implemented by the FAA at <https://my.faa.gov/org/linebusiness/ash/programs/ITSP.html> (FAA only).
- (5) When requested by the DCIP and when necessary to protect CNSI, SUI, or otherwise protected information, an employee, as defined in FAA Order 1600.84, must sign a Defensive Counterintelligence Program Non-Disclosure Agreement (found in AMS Procurement Forms) prior to being briefed on any information pertaining to a DCIP inquiry, a CI investigation, or any other matter related to the DCIP.

(6) COs or CORs may contact AXI-1, AXI-300, or AXI-310 directly with questions about their responsibilities, and employees' responsibilities, for cooperating with a DCIP inquiry or CI investigation.

B Clauses Revised 1/2009

[view contract clauses](#)

C Procurement Forms Added 9/2021

Document Name
Contract Security Classification Specification (DD 254)
Contractor Access Staffing Questionnaire
Contractor Employee Off-Boarding Form

D Procurement Samples Added 9/2021

Document Name

E Procurement Templates Added 9/2021

Document Name

F Procurement Tools and Resources Added 9/2021

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